

A CONCEPTUAL BASIS FOR THE NATIONAL TOURISM POLICY STUDY

PREPARED AT THE REQUEST OF

HON. WARREN G. MAGNUSON, *Chairman*
COMMITTEE ON COMMERCE

AND

HON. DANIEL K. INOUE, *Chairman*
NATIONAL TOURISM POLICY STUDY

FOR THE USE OF THE

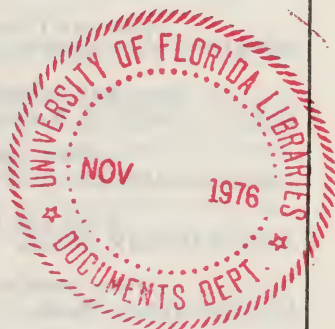
COMMITTEE ON COMMERCE

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NATIONAL TOURISM POLICY STUDY



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LETTER OF TRANSMITTAL

U.S. SENATE,
COMMITTEE ON COMMERCE,
October 1, 1976.

DEAR COLLEAGUE: Since the end of World War II there has been more than a threefold increase in tourism in the United States. Tourism now accounts for over \$70 billion annually in consumer expenditures and sustains directly and indirectly over 4 million jobs. With few exceptions, it is among the top three industries in each of our 50 States.

Although the Federal Government has substantial programmatic and policy involvement in tourism and tourism-related areas, its efforts are diffused and often contradictory. As a consequence, we have not, as a Government, responded coherently to the urgent demands of tourism or used tourism's potential to help achieve public interest goals.

It is therefore particularly appropriate that the Congress study the Federal role in order to maximize the beneficial effects of tourism development and minimize the costs and conflicts with other national policies and priorities.

S. Res. 347, cosponsored by 71 Senators and unanimously agreed to by the Senate on June 24, 1974, authorized the Senate Commerce Committee to undertake a National Tourism Policy Study with these objectives in mind.

This interim report is intended to form the conceptual basis for the remainder of that policy study.

Chiefly based on work done for the committee by Robert R. Nathan Associates, Inc., it identifies the Federal programs and policies which significantly impact tourism research, planning, development, and promotion, and thereby lays the foundation for their subsequent assessment in terms of effectively meeting the national interests in tourism, and the tourism needs of State and local governments and the private sector.

The report also contains an overview of legislation which directly and indirectly affects one or another aspect of tourism; a discussion of the national interests in tourism and other interacting interests; a discussion of the definitional problem with tourism, and how that term is defined for purposes of this report; and a review of Federal tourism and tourism-related legislation.

We have directed that this report be printed for the members of the National Tourism Policy Study and the Senate. We believe it will be of considerable assistance to the policy study as it proceeds to develop legislation and other recommendations to make the Federal role in tourism more effective and responsive to the national interests in tourism, and the needs of the public and private sectors of the industry.

IV

We wish to emphasize that this report has neither been approved, disapproved, nor considered by the Committee on Commerce or the National Tourism Policy Study.

WARREN G. MAGNUSON,

Chairman, Committee on Commerce.

DANIEL K. INOUE,

Chairman, National Tourism Policy Study.

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I. INTRODUCTION

THE CURRENT AND FUTURE IMPORTANCE OF TOURISM

Since the end of World War II there has been more than a three-fold increase in tourism in the United States.¹ An 81-percent increase in per capita purchasing power² and a 10-percent reduction in annual hours of work³ have combined to increase many times the opportunities for tourism. The construction of the interstate highway system and the rapid growth of the national air transportation system have combined to provide the means. As a consequence, tourism, which was once a privilege of the well to do, has been brought within reach of the great majority of Americans and now accounts for approximately \$61 billion annually in consumer expenditures and for the employment of 4 million people.⁴

Tourism is important to the United States not only because of the numbers of people it serves and the vast human, financial, and physical resources it employs but because of the great benefits it confers on individuals and on society as a whole. The Federal Government for many years has encouraged tourism, implicitly in its statutory commitments to the shorter working year and to the national passenger transportation system, and explicitly in a number of legislative enactments to promote tourism directly and through support of outdoor recreation (cultural attractions, historic sites, etc. Nevertheless, until recently the economic and social importance of tourism has not been fully recognized, and as a consequence policies and programs that affected tourism were adopted without full consideration of the impact on the private tourism sectors, or indeed, on the Government's activities in support of them.

As incomes and leisure time continue to increase, and as our economic and political systems develop more complex global relationships, tourism will become an ever more important aspect of our daily lives and our longer periods of free time. As Herman Kahn writes of this future: "It seems reasonable to assume that by the end of this century tourism will be one of the largest industries in the world, if not the largest."⁵

BACKGROUND OF THE NATIONAL TOURISM POLICY STUDY

S. Res. 347, cosponsored by 71 Senators and unanimously agreed to by the Senate on June 24, 1974, authorized the Senate Commerce Committee to undertake a National Tourism Policy Study (NTPS).

¹ Based on intercity passenger miles 1950-72, and extrapolations from Statistical Abstract of the United States, 1975, p. 562.

² Based on 1974-75, per capita disposable personal income in constant dollars, from Economic Report of the President, January 1976.

³ Based on 1974-75, total private nonagricultural hours of employment, from Economic Report of the President, January 1976.

⁴ U.S. Department of Commerce, U.S. Travel Service, Office of Research and Analysis, Tourism Landmarks in 1974, February 1975.

⁵ Herman Kahn, et al., *The Next 200 Years—A Scenario for America and the World*, William Morrow & Co., Inc., New York, 1976, p. 40.

The need for such a policy study guide and to coordinate the extensive role of the Federal Government in tourism research, planning, development, and promotion had been established by two previous studies.

The first, undertaken by the United States Travel Service (USTS), found that 89 programs in 10 executive departments and 47 programs in 36 independent agencies have some bearing on the development of travel, recreation, and tourism.⁶

It concluded that there was a need for a coordinated national policy on tourism development. At the same time it recognized that additional efforts to identify the various kinds of Government involvement in tourism were necessary before such a policy could be developed.

The second of these studies, undertaken by the National Tourism Resources Review Commission, was considerably more comprehensive.⁷ It found over 100 Federal programs and over 50 Federal agencies dealing with tourism and tourism-related matters. That report found that not only do these programs frequently overlap, but responsibility for an individual tourism function was usually shared by two or more agencies, often in different departments. Moreover, an agency's involvement in tourism was usually only incidental to the main purpose of the program.

As a consequence, the NTRRC concluded that the Federal effort was inefficient and that the Government was not responding coherently to the urgent demands of tourism or using tourism's growth to help achieve public interest goals as a consequence.

To remedy these circumstances, the report of the NTRRC recommended that Congress establish a national tourism policy and prescribe the means to carry it out. Again, however, it recognized that more work needed to be undertaken before such a policy could become a reality.

It was, therefore, in the context of considerable Federal programmatic involvement which lacked cohesion and awareness of the social and economic importance of tourism that the NTPS began its work pursuant to S. Res. 347.

As envisioned by the study, a national tourism policy should be a prescription for assuring that the Federal tourism effort effectively respond to the national interests in tourism and, where appropriate, meet the needs of State and local governments and the private sector of the industry.⁸

In order to meet this objective, such a policy must embody specific directions (and prescribe the necessary mechanism(s) and/or technique(s) for executing these directions) on how existing Federal policies and programs significantly affecting tourism can do the following:

- (a) *evaluate* the effect of their activities on the national interests in tourism, on the fulfillment of their statutory mandates relating to tourism, and on meeting the tourism needs of State and local governments and the private sector;

⁶ USTS, *Inventory of Federal Tourism Programs* (Washington, D.C., May 1970).

⁷ *Destination USA: Report of the National Tourism Resources Review Commission (NTRRC)* (1973).

⁸ As used here, the term "private sector" is meant to include labor and the interest of consumers.

(b) *coordinate* their separate efforts where they have common or related objectives pertaining to tourism research, planning, development, or promotion;

(c) *eliminate* (where possible) those aspects of their programs and policies which contradict or are counterproductive of the Federal tourism effort.

(d) *receive* continual input and recommendations from State and local governments, and the private sector with respect to their tourism needs, and their evaluation of the individual Federal policies or programs, which are intended to meet those needs.

The exact directions, mechanism(s), and/or techniques(s) are precisely what the NTPS is about. That is, the result of the study will be specific legislative and other recommendations prescribing the necessary directions, mechanism(s), and/or technique(s) to assure the foregoing.

In order to lay the foundation for the subsequent analysis and policy recommendations of the study, it is first necessary to develop a conceptual basis. This entails setting the parameters of the study (i.e., defining "tourism"), and at least tentatively identifying the national interests in tourism as well as other interests which significantly react with them.

Most importantly, it involves reviewing the multitude of Federal programs which have been previously identified as relating to tourism and selecting those which significantly contribute or impact the national interests in tourism.

Although the Federal Government is heavily involved in tourism-related activities, not all of its activities significantly affect tourism. For purposes of this study and its policy recommendations, the role of the Government in tourism will be primarily defined by those existing policies and programs which significantly relate to tourism planning, development, and promotion.⁹

It is these programs and policies which will be assessed during the course of the study to determine how effectively each is meeting: (i) the national interests in tourism; (ii) its statutory mandate relating to tourism; and (iii), where appropriate, the tourism needs of State and local governments and the private sector of the tourism industry.

To assist it in developing a conceptual basis for the study, the Committee contracted with Robert R. Nathan Associates, Inc.

Chapters II and III and the appendices of this report, with minor changes, represent the submission of Nathan Associates. The Federal programs and policies identified in chapter III lay the foundation for the study which will ensue.

In its next phase, the study will ascertain the tourism needs of the various regions, State and local governments, and the major segments of the private sector of the tourism industry. This ascertainment process will include an evaluation by the relevant groups of the Federal policies and programs which have been selected as the nucleus of the Federal tourism role in chapter III of this report.

Upon completion of the ascertainment process, a direct analysis of the selected Federal policies and programs will be made.

⁹To the extent a need for new policies or programs manifests itself during the course of the study, appropriate recommendations will, of course, be forthcoming as well.

The information and data gained from the foregoing two undertakings will permit the assessment of the selected Federal policies and programs.

The legislative and other recommendations which will then follow will be designed to make the selected programs more effective and responsive to the national interests in tourism and the needs of the public and private sectors of the industry by prescribing the necessary directions, mechanism(s), and/or technique(s) to accomplish these objectives.

II. OVERVIEW OF LEGISLATION

Federal legislation has seldom been addressed explicitly to national interests in "travel" or "tourism" as broadly defined in this report. However, a great amount of legislation has directly supported tourism, especially through the public provision of outdoor facilities and recreational opportunities and, to a lesser extent, the promotion of international tourism. Furthermore, almost the whole of the immense body of legislation creating, maintaining, and regulating the national transportation system contributes to tourism. Legislation in support of other interests may complement and/or conflict with tourism interests.

In general, the degree to which Federal legislative actions have addressed each of the interests and factors treated in this report differs greatly. The legislation briefly mentioned in this overview is reviewed in detail in table 1.

To date no legislation has been enacted which provides tourism and tourism-related programs with policy guidance regarding the national interests in tourism or the resolution of conflicts among various interests. Tourism and tourism-related programs are not uniformly linked by legislative mandate or legislatively determined coordination.

It is the purpose of the NTPS to prescribe whatever legislative and/or administrative action that is needed to make the Federal policy and programmatic involvement in tourism more effective and responsive to the national interests in tourism, as well as the needs of State and local government and the private sector where appropriate. The conclusions and recommendations will primarily depend on the review of the selected Federal programs and an assessment of their effects, and on consideration of views, needs, and experiences of State and local agencies and the private sector. This is the basis for the National Tourism Policy itself.

Not much legislation has referred expressly to an interest in the travel-related aspects of the quality of life, or to the overall domestic consumer and business demand for travel services. The few examples of such legislation include the Domestic Travel Act of 1940 and the 1970 amendments to the International Travel Act of 1961, which created the National Tourism Resources Review Commission. These interests, along with interests relating to economic impact, were also indicated in the Senate resolution concerning the allocation of energy resources to the tourism industry, and in the resolution authorizing the NTPS. Of course, a concern for consumer and business demand is implicit in legislation addressed to highway and other transport development and the regulation of various common carriers.

Legislation addressed to the support of international tourism is found in the original authorization for the United States Travel Service (USTS) and several amendments to that act. Other, related legislation is concerned with international good will and cultural exchange.

The United States Information Agency (USIA), for example, performs some tourism promotion tasks. However, financial support for international tourism promotion is much less than that for the regulation and control of foreign visitors to the United States.

Much important legislation has related to regional economic development and manpower issues, although tourism is not specified in the enabling acts themselves and is given only modest recognition in program operations. Legislation aimed at full employment and economic growth, though of great importance to the volume and kinds of tourism, is recognized in the identification of other interests but cannot be treated in detail.

Legislation regarding Government participation in the development or management of cultural, historic, scenic, and recreational sites is extensive. It began in 1872 with the creation of Yellowstone National Park and was institutionalized in 1916 with the establishment of the National Park Service. Since that time the public provision of facilities has expanded to provide Americans (and visitors) with a seemingly limitless variety of quality attractions.

Transportation legislation covers all modes of travel and is of three kinds: the public provision of infrastructure, especially of roads and airports; the regulation of common carriers in the private sector; and the direct operation of Amtrak.

Legislation on environmental preservation is closely related in some cases to that on the public supply of outdoor recreation facilities. Recent legislation resulting from the energy crisis is sweeping in its current and potential impact. Potentially, environmental and energy interests interact with tourism interests in both a complementary and a conflicting fashion.

Legislation on control of immigration and international travel to the United States also exemplifies an area in which other interests may support or conflict with national interests in tourism, and which therefore constitute issues requiring further administrative and legislative resolution. Five Federal departments are represented in the issuance of visas, the clearance of visitors, and the processing of visitors. The securing of tax revenues represents another interest which may support or conflict with national interests in tourism.

Tourism interests which are not national in scope are generally not treated by Federal legislation, although some legislation provides for Federal-State cooperation and stimulation of State and local effort as a means for pursuing certain tourism interests.

Table 1. Most Important Legislation Reviewed

FEDERAL TOURISM LEGISLATION

Tourism promotion and development legislation

1. International Travel Act of 1961, and amendments of 1970, 1973, 1975.
2. (Proposed) National Tourism Act of 1973 on recommendations of the National Tourism Resources Review Commission (S. 2536, not reported out of committee).
3. Domestic Travel Act of 1940, and amendments of 1973, 1975.

4. Information and Educational Exchange Act of 1948, and amendments.
5. Mutual Educational and Cultural Exchange Act of 1961, and amendments.
6. [International Expositions] Act of 1970, P.L. 91-269.
7. Trade Fair Act of 1959.
8. The Helsinki Accord of 1975 (International policy expression; not an executive agreement or treaty, and not approved by Congress).
9. Senate Resolution No. 281 on allocation of necessary energy resources to the tourism industry.
10. Senate Resolution No. 347 on National Tourism Policy Study.
11. (Proposed) Amendments to the Travel Act of 1961 to establish a Bureau of Travel Agents Registration in the Department of Transportation (S. 2300 and S. 2577; not enacted).
12. Bureau of Census Act of 1954 (authority for National Travel Survey).

Tourism resources legislation

13. [Yellowstone National Park] Act of 1872.
14. [Forest Service] Act of 1897.
15. Multiple Use Sustained Yield Act of 1960.
16. [National Park Service] Act of 1916.
17. Flood Control Act of 1944.
18. [Bureau of Outdoor Recreation] Act of 1963, P.L. 88-29.
19. Land and Water Conservation Fund Act of 1965.
20. Federal Water Project Recreation Act of 1965.
21. Wild and Scenic Rivers Act of 1968.
22. Scenic and Recreation Trails Act of 1968.
23. Historic Sites Act of 1935.
24. National Historic Preservation Act of 1966.
25. Housing Act of 1961.

FEDERAL TOURISM-RELATED LEGISLATION

Interstate transport investment and regulation

26. Federal-Aid Highway Act of 1961 and of 1968 and other highway acts.
27. Airport and Airway Development Act of 1970.
28. Federal Aviation Act of 1958 and Civil Aeronautics Act of 1938.
29. (Proposed) Aviation Act of 1975 (S. 2251).
30. Interstate Commerce Act of 1887; Motor Carrier Act of 1935; and Transportation Acts of 1920, 1940, and 1958.
31. Rail Passenger Service Act of 1970, and amendments.

Nonimmigrant visa and customs legislation

32. Immigration and Nationality Act of 1952 and proposed amendments.
33. [Tariff] Act of 1927.

Economic development legislation

34. Small Business Act of 1953.
35. Public Works and Economic Development Act of 1965.

- 36. National Parks Concessions Policies Act of 1965.
- 37. Housing and Community Development Act of 1974 and previous urban renewal legislation.

Environmental quality control legislation

- 38. Federal Water Pollution Control Act.
- 39. Clean Air Act, amendment of 1970 and proposed amendments.
- 40. National Environmental Policy Act of 1969.

Energy legislation

- 41. Energy Policy and Conservation Act of 1975; Emergency Petroleum Allocation Act of 1973.

Land-use legislation

- 42. (Proposed) Act to establish an office of land-use policy (H.R. 7211, S. 632, H.R. 634, not enacted).
- 43. Coastal Zone Management Act of 1972 and proposed amendments (S. 984).
- 44. (Proposed) National Resource Lands Management Act (S. 507).

Tax legislation

- 45. Amendments to Internal Revenue Code of 1954.

III. SELECTION OF GOVERNMENT PROGRAMS TO BE ASSESSED SUBSEQUENTLY IN THE POLICY STUDY

The development of recommendations on Federal policies and programs for tourism requires an understanding and assessment of accomplishments and failures of current programs. The assessment should be in terms of effectiveness both in carrying out statutory mandates and in contributing to the national interests in tourism.

There are over 100 Federal programs which relate to the national interests in tourism or to other interests that directly interact with tourism.¹ In order that the assessment and resulting recommendations can be based on an indepth consideration of specific Federal activities, the succeeding phases of the NTPS need to concentrate on a selected smaller group of programs rather than deal more lightly with all Federal activities. These suggested programs are listed in table 2. Programs of lesser importance, but still of interest for the study are listed in table 3. (Programs which appear unlikely to warrant further consideration in any detail are listed in table 4.) Some adjustments among these lists and possible new additions will undoubtedly occur during the course of the NTPS.

All the programs chosen relate in a direct way to the national interests discussed in appendix B.² The programs selected for detailed assessment are expected to contribute importantly to or interact significantly with these national interests for one or more of the following reasons:

1. Programs are included which directly serve a relatively large number of tourists or administer relatively large budgets.

This is an appropriate criterion for selection among the many programs that provide public facilities and services in transportation. It explains the inclusion of the United States Information Agency (with a budget 20 times as large as that of the United States Travel Service), the National Parks Service, the National Recreation Areas, Federal Acquisitions and State Grants for Land and Water Conservation, the National Forest System Recreation Areas, the Corps of Engineers Facilities, the Federal Aid Highway System, and Airport Development Aid. The Consumer Protection Programs of various commissions serve a relatively large number of tourists, as well as relate to the second and third criteria below.

2. Programs are also included which serve as the main or only example of Federal involvement in certain kinds of activities currently or potentially important for tourism. For instance, promotion of foreign tourism to the United States is the specific responsibility of the United States Travel Service.

¹ The Inventory of Federal Tourism Programs, published by the USTS in 1970, listed 137 Federal programs which make a "contribution to the development of travel, tourism and recreation in the United States." The National Tourism Resources Review Commission briefly described 115 programs "directly and indirectly related to tourism-recreation."

² No special programs on the general functioning of the national economy are included for detailed study. Although these programs and policies impact significantly on tourism, as on most sectors and industries, they lie outside the scope of the NTPS.

Other such programs are the National Register of Historic Places, addressing the preservation and public availability of historical rather than natural sites; the regulation by the Interstate Commerce Commission (ICC) of motor bus carriers and other passenger ground transportation; the regulation of commercial air transportation by the Civil Aeronautics Board (CAB); Amtrak, which is important as a direct Government operator of a common carrier, even though it encompasses less than 1 percent of intercity passenger miles; the tourism-related activities of the Small Business Administration (SBA) and the Economic Development Administration. Among programs and agencies which serve as the main Federal instrument for promoting certain other interests which impact on tourism are those administered by the Federal Energy Administration (FEA) and the Environment Protection Agency (EPA).

3. Some programs are selected because they reflect current tourism issues that are now being debated and must be addressed in this policy study.

The domestic program of the USTS is included because the basic question of national governmental participation in domestic promotion is at issue as well as the continued funding for this program.

Federal agencies and programs controlling visits, immigration, and imports have responsibility which can be in conflict with the promotion of international tourism. The current Senate Commerce Committee hearings on international visitor facilitation are concerned with the role of such agencies as the Visa Office of the State Department, Immigration and Naturalization Service of the Justice Department, and the Bureau of Customs of the Treasury Department.

Another issue in relation to the promotion of foreign visits is the tax law revision on business expense deductions for overseas conventions. Thus, the Internal Revenue Code must also be considered.

4. Programs are included which provide important research and planning activities affecting tourism, since such research and planning represent important means of resolving issues and reducing conflicts among interests. These programs are the National Travel Survey, which is the main program for providing tourism information; the National Outdoor Recreation Plan; the National Transportation Policy Statement of the Secretary of Transportation; and the International Air Transportation Policy statement of the United States.

The purpose of the assessment of specific programs is to determine their contribution to tourism, both in terms of specific mandates and of the broader national interests in tourism, as discussed in appendix B. In making such a determination, the assessment should consider the following program aspects as they relate to tourism:

- legislative mandates, Executive orders, and administrative policies;

- program goals and program design;

- research and planning;

- field activities and relations with the public; and

- coordination and cooperation with other Federal agencies, regional groups, States, cities, and the private sector.

In addition to the review of individual programs, it will be necessary to assess the overall performance and coordination related to tourism of the Federal departments which bear the major responsi-

bility for these programs: Commerce, Interior, State, and Transportation.

The additional programs listed in table 5 should help round out the assessment of departmental contributions to tourism. These programs should also help sound out the full picture of the Federal involvement in tourism. The consideration of these additional programs should be primarily in terms of their relationships to and coordination with the more significant programs.

TABLE 2.—*Main Federal programs to be assessed in terms of contribution to tourism interests*

<i>Interest Program/agency/department</i>	<i>Main authorization</i>
National interests in tourism:	
Health and other aspects of the quality of life:	
1. Domestic tourism promotion and services/U.S. Travel Service/Commerce (also relates to economic interests).	International Travel Act of 1961 and amendments of 1973 and 1975; Domestic Travel Act of 1940 and amendments of 1973 and 1975.
Economic activity:	
2. Development of small businesses for recreation and tourism/Small Business Administration.	Small Business Act of 1953.
3. Provision for private concessions in National Parks/National Park Service/Interior and other agencies.	National Parks Concession Policy Act of 1965.
4. Public works and development of facilities grants and loans/Economic Development Administration and Regional Commissions/Commerce (also relates to public provision of facilities).	Public Works and Economic Development Act of 1965.
5. Community development block grants (encompasses 7 earlier programs)/community Planning and Development/Housing and Urban Development.	Urban Renewal Act of 1965; Housing and Community Development Act of 1974.
Facilitation of International Demand:	
6. Promotion of foreign travel to the United States/U.S. Travel Service/Commerce.	International Travel Act of 1961 and amendments of 1970, 1973, and 1975.
7. Promotion of better understanding of the United States in other countries/U.S. Information Agency.	Information and Education Exchange Act of 1948 and amendments; Exchange Act of 1961 and amendments.
Use of public domain for tourist facilities and opportunities:	
8. Operation of the National Park System (including master planning)/National Park Service/Interior.	National Park Service Act of 1916.

TABLE 2.—*Main Federal programs to be assessed in terms of contribution to tourism interests—Continued*

<i>Program/agency/department Interest</i>	<i>Main authorization</i>
National interests in tourism—Con.	
Use of public domain for tourist facilities and opportunities—Con.	
9. National Register of Natural Landmarks and Historic Places/National Park Service/Interior.	Historic Sites Act of 1935; National Historic Preservation Act of 1966.
10. Federal acquisitions and State grant for land and water conservation/Land and Water Conservation Fund/Bureau of Outdoor Recreation/Interior.	Land and Water Conservation Fund Act of 1965; Federal Water Project Recreation Act of 1965.
11. National outdoor recreation plan/Bureau of Outdoor Recreation/Interior.	[Bureau of Outdoor Recreation] Act of 1963, Public Law 88-29.
12. National Forest System recreation program/Forest Service/Agriculture.	[Forest Service] Act of June 4, 1897; Multiple-Use Sustained Yield Act of 1960.
13. Operation of the Corps of Engineers facilities/Department of the Army Corps of Engineers (civil functions)/Defense.	Flood Control Act of 1944; Federal Water Project Recreation Act of 1965.
Other national interest interacting with tourism:	
Functioning of the transportation system:	
14. Federal aid highway system (and related programs)/Federal Highway Administration/Transportation.	Federal-Aid Highway Act of 1961, and of 1968.
15. (a) National transportation policy statement/Transportation.	No specific legislative authorization.
(b) International Air Transportation Policy Statement of the United States.	
16. Regulating surface passenger transportation/Interstate Commerce Commission.	Interstate Commerce Act of 1874; Motor Carrier Act of 1935; Transportation Acts of 1920, 1940, 1958.
17. Intercity rail passenger service/Amtrak.	Rail Passenger Service Act of 1970, and amendments.
18. Civil aviation regulation/Civil Aeronautics Board.	Federal Aviation Act of 1958.
19. Airport development aid program and planning grants program/Federal Aviation Administration/Transportation.	Airport and Airway Development Act of 1970.
Energy conservation:	
20. Energy conservation/Federal Energy Administration.	Energy Policy and Conservation Act of 1975; Emergency Petroleum Allocation Act of 1973.
Provision of information base:	
21. National travel survey/Bureau of the Census/Social and Economic Statistical Administration/Commerce.	Bureau of Census Act of 1954.

TABLE 2.—*Main Federal programs to be assessed in terms of contribution to tourism interests—Continued*

<i>Program/agency/department Interest</i>	<i>Main authorization</i>
Other national interest interacting with tourism—Continued	
Environmental protection and land use:	
22. Environmental protection/Environmental Protection Agency.	National Environmental Policy Act of 1969; Federal Water Pollution Control Act Amendment of 1973; Clear Air Act Amendment of 1970.
Control of Immigration:	
23. Visa office/Bureau of Security and Consular Affairs/State.	Immigration and Nationality Act of 1952.
24. Clearance of visitors into the United States/Immigration and Naturalization Service/Justice.	Immigration and Nationality Act of 1952.
25. International passenger processing/Bureau of Customs/Treasury.	Act of 1789 and Tariff Act of 1927.
Securing of tax revenues:	
26. Corporate and individual deductions for conventions and other travel/Internal Revenue Service/Treasury.	Internal Revenue Code of 1954 and amendments.
Consumer protection:	
27-29. Consumer protection programs/Federal Trade Commission Bureau of Consumer Protection; Civil Aeronautics Board Office of Consumer Affairs; Interstate Commerce Commission Public and Consumer Information Office and Bureau of Operations.	Federal Trade Commission Act of 1914; Truth in Lending Act; and various others; CAB and ICC as referenced above.

Table 3.—*Programs of considerable interest to be reviewed as supplement to Phase II assessment of main programs*

<i>Interest Program/agency/department</i>	<i>Main authorization</i>
National interests in tourism:	
Health and Other Aspects of the Quality of Life:	
1. Support for arts and humanities/National Foundation on the Arts and Humanities.	National Foundation on the Arts and Humanities Act of 1965, as amended.
2. Stimulate and coordinate Bicentennial Celebration/American Revolution Bicentennial Administration.	[American Revolution Bicentennial Commission] Act of 1966 and [American Revolution Bicentennial Administration] Act of 1973.
3. Equal enjoyment of public facilities/Community Relations Service/Justice.	Civil Rights Act of 1964.

TABLE 3.—*Programs of considerable interest to be reviewed as supplement to Phase II assessment of main programs—Continued*

<i>Interest Program/agency/department</i>	<i>Main authorization</i>
National interests in tourism—Con.	
Economic activity:	
4. Appalachian regional development/Appalachian Regional Commission (also relates to public provision of facilities, transportation).	Appalachian Regional Development Act of 1965.
5. Tennessee Valley development/Tennessee Valley Authority (also relates to public provision of facilities).	Tennessee Valley Authority Act of 1933.
6. Economic development planning, research, and Technical assistance/Economic Development Administration/Commerce.	Public Works and Economic Development Act of 1965.
7. American Indian tribal resource development, Bureau of Indian Affairs/Interior.	The Snyder Act of 1921; Indian Reorganization Act of 1934.
Facilitation of international demand:	
8. Support of international fairs/U.S. Travel Service/Commerce.	Trade Fair Act of 1959; [International Expositions] Act of 1970.
9. Educational and cultural exchange activities/Bureau of Education and Cultural Affairs/State.	Mutual Educational and Cultural Exchange Act of 1961; Foreign Service Act of 1946; and others.
10. Provision of passports for U.S. citizens/Bureau of Security and Consular Affairs/State.	22 U.S.C. 211a, 1956.
Use of public domain for tourism facilities and opportunities:	
11. National recreation areas/National Park Service/Interior (also Forest Service/Agriculture).	Executive Order 11017, 1962.
12. National scenic and recreation trails/National Park Service/Interior (also Forest Service/Agriculture).	Scenic and Recreation Trails Act of 1968.
13. National wild and scenic rivers system/National Park Service/Interior (also Forest Service/Agriculture).	Wild and Scenic Rivers Act of 1968.
14. Park and recreation technical assistance and park practice program/National Park Service/Interior.	Park, Parkway and Recreation Study Act of 1936.
15. Various fishing, hunting, and related programs/Bureau of Sports, Fisheries and Wildlife/Fish and Wildlife Service/Interior.	Fish and Wildlife Coordination Act of 1937; Federal Aid in Sport Fish Restoration Act of 1950; Fish and Wildlife Act of 1956.

TABLE 3.—*Programs of considerable interest to be reviewed as supplement to Phase II assessment of main programs—Continued*

<i>Interest Program/agency/department</i>	<i>Main authorization</i>
National interests in tourism—Con. Use of public domain for tourist facilities and opportunities—Con.	
16. National forest recreation/Research Forest Service/Agriculture.	McSweeney-McNary Act of 1928.
17. Review of historic preservation properties/Advisory Council on Historic Preservation (appropriations through National Park Service).	Historic Preservation Act of 1966.
18. Acquisition of national parklands and sites/National Park Foundation.	Public Law 90-209.
Other national interests interacting with tourism:	
Functioning of the transportation system:	
19. Highway planning/Federal Highway Administration/Transportation.	Highway Code Act of 1958.
20. Transportation facilitation/Office of Facilitation/Transportation.	Transportation Act of 1966.
Provision of information base:	
21. Economic census (as it relates to various components of the travel industry)/Bureau of Economic Analysis/Social and Economic Statistical Administration / Commerce.	Title 13, United States Code, sections 131, 194, 224.
Environmental protection and land use:	
22. Coastal zone management/National Oceanic and Atmospheric Administration/Commerce.	Coastal Zone Management Act of 1972. 1972.
Control and regulation of international visitors:	
23. Preventing introduction of contagious diseases/Public Health Service, Center for Disease Control/Health, Education and Welfare.	Public Health Service Act of 1944; Immigration and Nationality Act of 1952.
24. Preventing introduction of pests and plant diseases/Animal and Plant Health Inspection Service/Agriculture.	Plant and Quarantine Act of 1912; Federal Plant and Pest Act of 1957.

TABLE 4.—PROGRAMS INCLUDED IN THE LISTING OF THE NATIONAL TOURISM RESOURCES REVIEW COMMISSION WHICH ARE NOT PROPOSED FOR REVIEW IN PHASE II¹

Program/agency/department:

1. National Arboretum/Agricultural Research Service/Agriculture.

¹ Some programs identified separately by the National Tourism Review Commission are included as part of programs listed in tables 4 and 5.

TABLE 4.—PROGRAMS INCLUDED IN THE LISTING OF THE NATIONAL TOURISM RESOURCES REVIEW COMMISSION WHICH ARE NOT PROPOSED FOR REVIEW IN PHASE II¹—Continued

Program/agency/department—Con.

2. Recreational Opportunities for Farms/Agricultural Stabilization and Conservation Service/Agriculture.
3. Cropland Adjustment: Aid to Farmers/Agricultural Stabilization and Conservation Service/Agriculture.
4. Cropland Adjustment: Grants to Government Agencies/Agricultural Stabilization and Conservation Service/Agriculture.
5. Rural Environmental Assistance Program/Agricultural Stabilization and Conservation Service/Agriculture.
6. Waterbank Program/Agricultural Stabilization and Conservation Service/Agriculture.
7. Tourism Recreation Activities of the Extension Services/Extension Service/Agriculture.
8. State Agricultural Experiment Station Recreation Research Grants/Cooperative State Research Service/Agriculture.
9. Farmers' Recreation Cooperatives/Farmer Cooperative Service/Agriculture.
10. Farm Recreation Facility Loans/Farmers Home Administration/Agriculture.
11. Watershed Protection and Flood Prevention Loans/Farmers Home Administration and Soil Conservation/Agriculture.
12. Land Exchange in the National Forests/Forest Service/Agriculture.
13. Resource Conservation and Development/Soil Conservation/Agriculture.
14. Public Works Impact Projects/Economic Development Administration/Commerce.
15. Subsidization of Passenger Ships/Maritime Administration/Commerce.
16. Community Economic Adjustment/Assistant Secretary for Installations and Logistics/Defense.
17. Outdoor Recreation on Military Installations and Logistics/Defense.
18. National Cemetery Program/U.S. Army Memorial Affairs Agency/Defense.
19. Adult, Vocational and Technical Education/Office of Education: Bureau of Adult, Vocational and Technical Education/HEW.
20. Indian Industrial and Tourism Development On-the-Job Training/Bureau of Indian Affairs/Interior.
21. Indian Road Construction/Bureau of Indian Affairs/Interior.
22. Land Lease for Airports/Bureau of Land Management/Interior.
23. Surplus Property for Parks and Recreation/Bureau of Outdoor Recreation/Interior and General Services Administration.
24. Airport Planning Grants Program/Federal Aviation Administration/Transportation.
25. Appalachian Development Highway System/Federal Highway Administration/Transportation.
26. Highway Beautification Aid/Federal Highway Administration/Transportation.

TABLE 4.—PROGRAMS INCLUDED IN THE LISTING OF THE NATIONAL TOURISM RESOURCES REVIEW COMMISSION WHICH ARE NOT PROPOSED FOR REVIEW IN PHASE II¹—Continued

Program/agency/department—Con.

27. High Speed Ground Transportation Research and Development/
Federal Railroad Administration: Office of Research, Development and Demonstration/Transportation.
28. Boating Safety Education/Coast Guard/Transportation.
29. Boating Safety Financial Assistance/Coast Guard/Transportation.
30. Courtesy Motorboat Examinations/Coast Guard/Transportation.
31. Navigation Aid/Coast Guard/Transportation.
32. Patrol of Regattas and Marine Parades/Coast Guard/Transportation.
33. Recreational Boating Law Enforcement/Coast Guard/Transportation.
34. Search and Rescue/Coast Guard/Transportation.
35. Urban Mass Transportation/Capital Facilities Improvement Grants/Urban Mass Transportation Administration/Transportation.
36. Urban Mass Transportation Research, Development and Demonstration/Urban Mass Transportation Administration/Transportation.
37. Policy Advice and Counsel on National Parks, Historic Sites, Buildings and Monuments/Advisory Board on National Parks, Historic Sites, Buildings and Monuments.
38. Capitol Grounds Botanic Garden/Botanic Garden.
39. Delaware River Basin/Delaware River Basin Commission.
40. Regulation of U.S. Waterborne Common Carriers/Federal Maritime Commission.
41. Regulation of Hydroelectric Plants/Federal Power Commission.
42. Promotion of Indian Arts and Crafts/Indian Arts and Crafts Board.
43. Planning of the National Visitor Center/National Visitor Facilities Advisory Commission.
44. Public Exhibitions/Smithsonian Institution.

APPENDIX A

DEFINING TOURISM FOR THIS STUDY

The NTPS is concerned with travel; that is, with the activities of people who are taking trips for business or pleasure and with the range of businesses, labor participants, and Government agencies which supply the goods and services for these travel activities. There is general agreement on this scope of interest by representatives of trade associations, public agencies, and a major labor union, all of whom have commented on the report and these definitions.

Accordingly, this report uses the terms "travel" and "tourism" synonymously to describe the scope of interest: the activities of persons taking trips outside their home communities, excluding commuting to work and other normally local activities.¹ The derivatives "travel industry" and "tourist industry" define the economic sectors supplying the industry. "Traveler" and "tourist" designate the participant in the activity, that is, the consumer in relation to the industry. A third closely related term is "visitor," which is used in international parlance to describe one whose travel crosses an international border.

In adopting "travel" and "tourism" together as working terminology for this study we avoid declaring a narrower standardized usage which clearly does not have a consensus at present. Nor is it necessary to have one standardized term for the discussion of policy issues, since there is no disagreement or ambiguity on the broad scope of interest which the study must encompass. The United States Travel Service is currently working to standardize the definitions and terminology used by State tourist agencies in data collection and reporting. Current practice in popular and statistical usage and preference for definitions and terminology should also be a subject for future discussions with agencies and the private sector.

In current usage, for the most part, different terminologies often refer to the same broad activity. For example, the Assistant Secretary for Tourism in the Department of Commerce is responsible for the USTS. Of 49 State agencies, 23 include in their titles the designation "tourism," 17 use "travel," two use both, and seven do not use either.

The broad use of "travel" is observed further in terms such as "travel agent" and the National Travel Survey, and in such organizations as the Discover America Travel Association, the Travel Data Center, the Travel Research Association, a number of travel councils, and the earlier Industry-Government Special Task Force on Travel.

Additional examples of the broad use of "tourism" are seen in the Subcommittee on Foreign Commerce and Tourism, the National Tour-

¹ This emphasis on trips "outside the home community" is discussed by Douglas C. Frechtling, "Definition and Measurement of Domestic Tourism," paper presented to the IUOTO/WTO Technical Seminar on Domestic Tourism, Ottawa, Canada, June 23, 1975.

ism Resources Review Commission, the Commission's own definition of "tourist,"² and the designation of this study.

"Visitor" is used by the Hawaii and Delaware State agencies and by many city agencies, especially in areas with a significant number of international tourists.

It is useful to recognize some of the potential misunderstandings of the "tourism" and "travel" terms. "Tourism" sometimes connotes recreational and leisure travel; but not commercial or personal business trips.³ "Travel" sometimes connotes the transportation part of the tourist activity, but not necessarily all related activities. Sometimes "travel" is used to refer to local transportation as well. Such shades of meaning are not to be inferred in this study.

Of course, identifiable subcategories of "travel" and "tourism" are needed to focus on certain issues and parts of the industry. They also serve to show the dimension of the scope of interest of this study.

The main subcategories are as follows:

Business travel (commercial, not personal business) :

Regular business travel

Conventions

Personal travel

Personal and business matters

Pleasure travel

Visiting relatives and friends

Touring, sightseeing

Rest and relaxation in a changed environment

Outdoor recreation

Attending cultural or sporting events

Accompanying others on business travel or nonbusiness conventions

There are additional facets of the term "travel industry" or "tourist industry" which can be observed. The definition of "travel industry" suggested by the Board of Discover America Travel Organization (DATO) and the Board of Directors of the International Association of Convention and Visitor Bureaus (IACVB) is as follows:

... and interrelated amalgamation of those businesses and agencies which totally or in part provide the means of transport, goods, services, accommodations and other facilities for travel out of the home community for any purpose not related to local day-to-day activity.⁴

This definition is realistic and comprehensive and is used in this report. Three aspects of this term might be noted. The first is that this is not a single "industry," but rather a collection of many business and agency activities providing goods, transportation, and other services. These are specified in more detail in appendix B. Agencies in-

² "A tourist is one who travels away from his home for a distance of at least 50 miles (one way) for business, pleasure, personal affairs, or any other purpose except to commute to work, whether he stays overnight or returns the same day." National Tourism Resources Review Commission, *Destination USA*, Vol. 2, p. 4. While the Commission defined "tourist," it used "tourism" without technical implications.

³ The first draft of this appendix suggested the use of "travel" to describe all trips, with "tourism" to be used in this more limited sense of travel for pleasure and leisure. However, such a distinction was dropped because it does not enjoy a consensus, as indicated above, and because it conflicts with international usage, in which "tourism" refers to both business and pleasure travel.

⁴ William O. Toohy, letter to the Honorable Daniel K. Inouye, Chairman, Subcommittee on Commerce and Tourism, U.S. Senate Committee on Commerce, May 18, 1976, and Robert J. Sullivan, report on Apr. 25, 1976 meeting of the IACVB Board of Directors and the Convention Liaison Council, May 3, 1976.

clude both public and nonprofit organizations at the national, regional, State, and local level. Second, these businesses and agencies may often serve local patrons as well as travelers. However, in many instances, such as in the discussion of volume of business, the proportions representing service to local customers and to travelers cannot be separated. Third, in speaking of the industry, we include both management and labor; labor, in turn, refers to both organized and unorganized employees.

A further question concerns making the definition of "tourism," "travel," and "visit" precise and operational for statistical measurement and for comparability over time and among states and nations. Practice within the U.S. has emphasized distance traveled from home, and, in some instances, whether the trip was overnight. The definition and subcategories recommended for international usage by the U.N. Statistical Commission use time rather than distance as the basis for distinctions.

In effect, definitional questions for the United States have revolved around what is "outside the home community." The 1972 National Travel Survey reported the travel of persons to a place at least 100 miles away from home. In recent years, there has been considerable support for lowering the one-way mileage criterion to 50 miles.

This point of view in favor of the 50-mile trip was offered repeatedly in recent hearings conducted by the Subcommittee on Foreign Commerce and Tourism. The plan of the Bureau of Census to conduct personal interviews with a subset of the survey population contacted by mail, in order to obtain information on short trips, will provide some data on all distances of personal transport, but not at the same level of detail as for the larger travel survey.

Use of data from previous National Travel Surveys and other sources in the NTPS will, of course, have to depend on the definition in effect at the time of collection and it is important to specify such definitions in referring to the earlier data.

The accepted international definition of "visitor" includes all persons crossing borders, for leisure or business except for certain kinds of commuters to work.⁵ The two main subcategories are "tourists" who stay at least 24 hours and "excursionists" who stay less. It is not possible to make the U.S. and international definitions exactly uniform on a time-determined basis, since there would be no domestic equivalent of an excursionist, other than through the application of some mileage criterion of distance traveled (or perhaps of some state or municipal boundary crossed).

⁵ This definition was agreed upon at the United Nations Conference on International Travel and Tourism (Rome) 1963 and is followed by the International Union of Official Travel Organizations.

APPENDIX B

NATIONAL INTERESTS ¹ IN TOURISM AND OTHER INTERACTING INTERESTS

The Federal Government is interested in tourism not only because of its widespread economic importance but equally because of its pervasive effects on many aspects of the quality of our national life and of our international relations.

TOURISM INTERESTS

The National Interest in Health and Other Aspects of the Quality of Life

The Scope and Magnitude of This Interest

Though tourism in the United States is a very large industry that provides employment and income to millions of people and sustains many local economies, the prime and dominant national interest in tourism derives from its beneficial and enriching effect on the health and well-being of the population. It is characteristic of people with high and rising standards of living that, having satisfied their basic requirements for nutrition, shelter, and security, they forego more hours of work and some additional production and income for the sake of leisure. They also choose to allocate more and more of their incomes to acquire goods and services that enhance their leisure activities and the quality of their experience.² Tourism is a clear example of these tendencies.

Specifically, in the United States since the end of World War II, tourism has been a means of helping people use increased leisure time and affluence to relieve the tedium of automated work, to ease the tensions of living in the post-industrial society, and to enjoy and fulfill themselves off the job.

The diversity of positive values associated with tourism is reflected in the widely varying motivations of American travelers and the predominance of travel for personal and recreational purposes. In 1972 these purposes were reported as follows:³

Major trip purpose:	Percent
Visit friends, relatives.....	39
Outdoor recreation.....	12
Sightseeing, entertainment.....	13
Business, conventions.....	20
Personal business, other.....	16
Total.....	100

¹ National interests are those broadly stated purposes reflecting intended benefits which are to accrue to the people of the Nation as a whole, rather than to some limited private or strictly regional beneficiaries. This does not mean that national interests cannot represent benefits targeted to specific private or regional entities, but the intention—and the long-range conceived benefits—must in any case be conceived and described within a whole-nation framework.

² The term "superior goods" is sometimes used to describe goods and services the demand for which increases faster than income increases.

³ U.S. Bureau of the Census, National Travel Survey, 1972, p. xiv.

Whether we are talking about family vacations, weekend excursions, trips to national parks or to urban centers of the arts and entertainment, visits to family and friends across the country, or trips abroad, travel has grown explosively since World War II until by now it is practiced among the large majority of Americans who can afford it. The paid holiday, once a perquisite of middle class white-collar employees, is now recognized in national policy, provided by governments as a matter of law and negotiated by employers and labor unions as an employee benefit in recognition of its salutary effects on the health and attitudes of employees. The national interest in such a policy is evidenced by the aforementioned implicit decision to substitute leisure for some hours of work and additional production and income.

The National Interest in Public Health

The national interest in the health of the population is among the most basic, long-recognized and long-accepted interests. In the post-World War II period this has included an increased programmatic concern with public mental health. Currently, over a quarter billion dollars of Federal funds are budgeted for general mental health research, training, and community programs. The interest in mental health has included growing recognition of the reciprocal feedbacks between physical and mental health and of the role of mental health deficiencies in many community and social problems.

The national support for more leisure time and opportunities is consistent with the widespread recognition of the benefits to health of body and mind derived from a change of scene and a change of activity which leisure time makes possible. There is growing professional opinion that meaningful use of leisure time improves people's ability to function in their circumstances and environments. Leisure-time activities, such as tourism, may well relieve stress and thereby forestall stress-induced cardiovascular diseases and psychopathologies. These are benefits that should accrue to people of all classes and at all income levels; hence, the emphasis on local parks and recreation facilities and the national interest in making the opportunity for tourism experience universally accessible.

The relationship of stress to disease and health has received considerable research.⁴ Two other relationships indicated above are of potential importance for tourism policy decisions: the relationship of leisure-time activities to stress reduction and the relative importance of tourism among stress-reducing leisure-time activities. These relationships have been identified as representing potentially demonstrable links between tourism and health. However, systematic scientific research is lacking and is clearly needed.

Other Aspects of the Quality of Life

Other aspects of the tourism contribution to the quality of life are interrelated with the health factors. The relationship to health of happiness and a sense of "self-actualization" has been the subject

⁴For example, important studies in this field are cited in recent correspondence to the Senate Commerce Committee by Dr. Karl D. Yordy, Senior Program Officer of the National Academy of Science: Hans Helye, *The Stress of Life*, McGraw-Hill, 1956; and John Cassell, "Physical Illness in Response to Stress," *Antonologia* A7, Mimeograph CIDOC, Curenavaca, Mexico, 1971.

of study and Congressional testimony.⁵ But the importance of "self-actualization" consists of more than a contribution to physical and mental health. The personal growth, education, and enjoyment which can come from tourism are important in themselves for their contribution to individual lives and also for the collective benefits which can be realized.

As more long-distance transportation facilities have been developed, domestic tourism which was once mainly intraregional has become nationwide in scope. It has conferred benefits of interregional and intercultural appreciation of the geography, history, and ethnicity of the Nation. This applies equally to recreational travel and to travel for personal reasons.

Protection of the Quality of the Tourist Experience

Americans fully appreciate and greatly value the benefits which these experiences add to the quality of life in the United States, as we well know not only from their vast outlays of money and effort on tourism but from their vociferous resistance to anything (e.g., gasoline shortages) that threatens to interfere with it. Yet even as it enhances the quality of life, tourism has the potential to degrade it by overloading the transportation systems, the tourist attractions, and the facilities which serve tourism. Because Americans so value the qualities tourism brings to their life, they will put up with overloading of facilities and other less-than-pleasant conditions for a time.⁶ Of course, in such situations, the full potential contribution of tourism to health and well-being is not realized. In the case of enjoyment of rural solitude and wilderness beauty, a degradation of the quality of the resources and the related experience may destroy the benefits of tourism completely.

There is a national interest in protecting the tourism environment and preserving the quality of the experience. Public policy in respect of tourism and other travel must be sensitive to the negative impacts for quality of life that result from tourist experience of poor quality: the results of inefficiency, overloading, overcrowding, overcharging, etc. There is a clear and strong national interest in encouraging growth of supply to match demand, and in encouraging competition to assure high quality and reasonable price.

Ensuring Opportunities to Participation in Tourism

In 1972, 45 percent of the U.S. population did not take any trip of at least 100 miles from home.⁷ Although the reasons for not traveling have not been researched, public policy must be sensitive also to the needs of particular population groups whose participation as consumers may not be commensurate with their needs: the elderly, the handicapped or infirm, minority racial or ethnic groups, and the poor. Generally, low income groups engage in tourism less frequently than others, apparently reflecting the significant relation of participa-

⁵ John Neulinger, statement before the Subcommittee on Foreign Commerce and Tourism on S. Res. 281, Mar. 29 and Apr. 1, 1974, Serial No. 93-75, pp. 38-42.

⁶ For example, see "Aid Is Cut, But Tourism Crests at U.S. Parks," New York Times, July 13, 1976, p. 35.

⁷ U.S. Department of Commerce, Bureau of the Census, National Travel Survey, 1972, p. xv.

tion to income and automobile ownership.⁸ Before the Civil Rights statutes of the 1960's forbade it, discrimination was widely practiced against certain racial or ethnic groups by some travel facilities and services. The provision of specialized equipment or services for handicapped or infirm persons has been undertaken on only a limited scale.⁹

The interest in preserving the quality of the tourist experience and the interest in increasing the opportunities and access for all population groups may be at cross purposes in some cases, especially given the role of overcrowding as a threat to quality. The private facilities serving tourism can be expected to grow in proportion to demand. Special governmental decisions are required to increase public facilities at least in proportion to the growth in use or to encourage more effective use of current facilities.

The National Interest in Tourism as a Form of Economic Activity

Tourism is important to the economy, in terms both of consumers' expenditures and of employment and income. According to one estimate, in 1974 tourists spent more than \$60 billion in the United States, generating 3 to 4 million jobs and nearly \$19 billion in payroll.¹⁰ Other estimates of expenditures range from \$40 to \$70 billion. Moreover, tourism is important to the economy of most States and to a wide diversity of industries, including enterprises of every size, from the smallest to the very large.

The Efficient Satisfaction of Consumer Demand

The growth of supply to meet increased demand for tourism and the functioning of competition to improve services and prices are important not only for the quality of the tourists' experiences, but also for the realization of the greatest possible total value from the immense human, financial, and physical resources devoted to tourism activity. Patterns of behavior and expenditure by travelers are as varied as the kinds of persons traveling and their reasons for travel. But most travelers are likely to want some or all of the following services and provisions: transportation, overnight accommodations, food and beverages, entertainment and recreation, as well as other goods or services incidental to the journey and its purposes.

Such a pattern of activity necessarily makes demands on a large number of private industry sectors, as well as on public facilities and services. In whole or in part, they are often referred to as the "travel industry." Retail trade, varied categories of services, and common carrier transportation are the dominant private industry components directly catering to travel demand (table 5). But important contributions are also made indirectly by the manufacturing, construction, wholesale trade, agricultural, and extractive sectors. Within the public sector, Government programs and activities particularly important to tourism and other travel are those related to transport facilities, land development for outdoor recreation, international relations, and a broad range of policy and regulatory roles.

⁸ However, the income disability for access to travel appears almost to have been overcome. Families with incomes under \$5,000 accounted for 9.6 percent of the population and 8.3 percent of person-trips in 1972, *ibid.*, p. 2.

⁹ National Tourism Resource Commission, *Destination U.S.A.*, vol. 2, pp. 7-8, vol. 5, pp. 69-83.

¹⁰ Discover America Travel Organizations, *Travel in America*, April 1976.

The concept of tourism and other travel as an activity rather than as an industry is emphasized here to call attention to the diffuse structure of travel activity, which engages many components of both private and public economic sectors. Further, most of the economic sectors serving travelers are not devoted exclusively to travel. They typically serve a combination of tourist and nontourist clientele. Thus many hotels, restaurants, night clubs, etc., cater both to the local community and to visiting travelers; airlines and railroads transport freight and the mails as well as people; the motor vehicles provide the means for both tourism and local passenger transportation.

Whether considered as a consumer activity or as an industry sector, tourism and other travel in the United States is a very large enterprise (see table 6). In 1972 Americans made nearly 460 million person-trips at least 100 miles away from home, an average of some 2.3 trips per man, woman, and child.¹¹

TABLE 5.—MAJOR TRAVEL GOODS AND SERVICES AND PRIVATE TRAVEL INDUSTRY DIRECT SUPPLIERS

I. Retail Trade:

A. Food:

1. Eating and drinking places (restaurants, cafes, bars, night clubs, discotheques, vending machines, etc.).
2. Food and beverage shops (grocery stores, retail bakeries, delicatessens, candy and liquor stores, etc.).

B. Auto-related:

1. Auto, recreation vehicle dealers (vehicle purchase).
2. Gasoline service stations (gasoline, oil, tire purchases, etc.).

C. Apparel (clothing, shoes, swimwear, sportswear, and related stores).

D. Leisure goods:

1. Books, records; toy, game, and hobby shops.
2. Camera and photographic supply stores.
3. Outdoor recreation and sporting goods, including boats, snowmobiles, hunting and fishing supplies, camping equipment, and athletic equipment.

E. Other:

1. Luggage and leather goods stores.
2. Gift, novelty and souvenir shops.
3. Drug and variety stores.

II. Services (other than transport):

A. Lodging:

1. Hotels, motels, lodges, cabins, cottages.
2. Rooming and boarding houses.
3. Sporting and recreational camps.
4. Campgrounds, trailer parks.

¹¹ U.S. Bureau of the Census, National Travel Survey, 1972.

B. Conventions:

1. Meeting facilities.
2. Exhibition centers.

C. Arrangements of travel:

1. Travel agencies.
2. Tour packaging and tour operations and other travel marketing.

D. Amusement and recreation:

1. Movies, legitimate theaters, musical and dance shows, arts festivals, seminars.
2. Amusement and theme parks, coin-operated games, casinos, fairs, festivals, various entertainment attractions.
3. Scenic attractions, caves, museums, historical sites, and related tours.
4. Racing and other spectator sports.
5. Golf courses, tennis courts, swimming pools, bowling alleys, boat and bike rentals, horseback riding, skiing lifts and facilities, ice skating rinks, various kinds of equipment rental; also instructional camps and services.

E. Personal care:

1. Laundry, dry cleaning, including coin-operated.
2. Beauty and barber shops.
3. Porter, restroom, valet, escort, etc.

III. Transportation and Utilities:

A. Transport:

1. Intercity, interstate scheduled and chartered bus lines; local and intercity bus tours.
2. Air transport, scheduled and charter carriers.
3. Intercity rail passenger operators.
4. Taxis.
5. Water—ferry, excursion, and sightseeing boat operation, ocean passenger vessels.

B. Other transport services:

1. Car rental, utility trailer, or recreation vehicle leasing; vehicle parking.
2. Private auto repair and maintenance.
3. Pleasure boat rental, fishing party boat operation, marina rentals and servicing.

C. Communication:

1. Long-distance and local telephone, telex.
2. Postal service.

D. Electric, gas, water utilities.

IV. Finance, Insurance, Real Estate:

A. Finance: travelers check issuance, credit card providers, personal credit institutions (for travel), mortgage lending bodies (second homes, etc.).

B. Insurance: liability and collision (auto), life (air and other common carrier), fire and theft, title (second home), etc.

C. Real estate: brokers for vacation, second home rentals; managers or operations of like properties.

TABLE 6.—ESTIMATES OF TOTAL CONSUMER EXPENDITURES FOR TOURISM OR TOURISM-RELATED ACTIVITIES, FROM SELECTED SOURCES, BY YEARS AND CONCEPTS

Year	Concept measured	Total expenditure (billions)	Source
1972.....	Vacation recreation, trips.....	\$40	U.S. News and World Report, Apr. 17, 1972.
1971-72.....	"Travel".....	55	Office of Economic Opportunity.
1970.....	Purchase of goods and services for leisure and recreation.	58	Midwest Research Institute, U.S. Leisure Markets: Pleasure Is Big Business, MRI-1102, 1972.
1970.....	Travel industry.....	60	Ernest W. Swanson, Travel and the National Parks, North Carolina State University, 1972.
1970.....	Tourism activities (50 miles or more away from home).	49.7	NTRRC, Destination U.S.A., June 1973, vol. 2
1972.....	Travel (100 miles or more away from home).	36.2	U.S. Travel Data Center, 1972 National Travel Expenditure Study, December 1973
1974.....	Travel other than commuting, military travel, and travel by students and transportation crews.	71.8	Discover America Travel Organizations, Travel in America, April 1976.

Not only are travel demands and related expenditures very large, but they appear to have grown more rapidly than the overall economy. One estimate indicates that such expenditure increased from 4.6 percent to 5.1 percent of GNP between 1960 and 1970.¹² Since most tourist travel is household-based rather than business-based, its growth is probably linked to changes in discretionary family income; that is, income in excess of expenditures for necessities such as food and housing. Other important contributing factors to rapid growth include: increased leisure time; technological developments, improvement in quality, and reduction in relative costs of air travel; substantial upgrading of the national highway network and increased auto ownership; and petroleum costs, which until a few years ago were stable or declining in real terms.

More than a third of total tourist expenditures per trip are typically incurred for transportation; most of the balance is for food and lodging.¹³ The automobile is the dominant mode of tourist travel within the United States, accounting for 85 percent of all person-trips of 100 miles or more in 1972. Air travel accounts for most of the rest.¹⁴

Tourism has been affected by public policies, actions, and regulations directed at sectors serving tourism. Some public subsidies have had a stimulating influence on tourist travel. They have been important for certain types of visitor attractions, notably in outdoor recreation, and for some forms of transportation, including rail (Amtrak), local service and general aviation, and urban bus service.

Government regulatory policy at times in the past has encouraged a promotional approach to commercial air service, with pressure for incentive rates to expand markets. However, in more recent years of unfavorable financial performance and escalating costs, concern over scheduled carriers' financial position has led to higher rates.

Thus, the national interest in satisfying the demand for tourism is expressed in many ways. In this respect, tourism bears some similarities, for example, to the housing sector, in that it is important not only

¹² United States Travel Data Center, Importance of Tourism to the Economy (Washington, mimeograph), 1975, p. 17.

¹³ Percent of total tourist expenditures: transportation, 36; lodging, 15; food, 30; entertainment, 7; and incidentals, 12. 1974 National Travel Expenditure Study Summary Report, U.S. Travel Data Center, 1976, p. 7.

¹⁴ U.S. Bureau of the Census, National Travel Survey, 1972.

because of what it contributes to the quality of life but also because of the complex of industries and services it employs and supports. Tourism's rapid growth has paralleled the long rise in personal income. It contributes to and reflects the broad national interest in sustained economic growth. Obversely, the very fact that tourism is the freely chosen object of so huge an expenditure by American consumers in itself establishes a national interest in assuring adequate supplies of tourist facilities and services of satisfactory quality, competitively priced.

Increasing Employment, Income, and Regional Development

Just as there is a national interest in seeing that the public and private sectors efficiently satisfy the demand for tourism, there is also an interest in channeling or stimulating the demand for tourism in areas which can benefit from the special characteristics of the travel industry. Such widespread and diverse activities, engaging so many sectors of the economy, would inevitably be an object of national interest, if for no other reason than because tourism generates so much employment and income in so many places. The industries involved in serving tourism are significant in every State; and in many States and in many more localities they are a major part of the economic base. As indicated above, in 1974, U.S. and foreign travelers generated about 3 to 4 million jobs by expenditures of up to \$72 billion.

As a source of income and employment, tourism has distinctive characteristics which single it out from other industries. One is its ubiquity. Industries serving tourism are found in every county and in every town; this is true of industries which serve tourism largely or exclusively (e.g., hotels/motels, airlines, intercity buslines, travel agents), as well as industries only part of whose business derives from serving tourism demands (e.g., restaurants, gasoline stations, railroads).

Another distinguishing characteristic of tourism-serving activities is that many of them are comparatively labor-intensive (the most notable exception is air travel). Not only are they dominated by labor-intensive services, but by their very nature they are in operation for long hours, in some cases every day of the year. They thus generate a relatively high amount of employment. A substantial part of this employment, moreover, is in occupations which are found (or can be trained for) nearly everywhere, thus minimizing delays in matching people and job openings. Of course, the benefits are offset, in part, by certain liabilities: employment of this type exhibits relatively low productivity and wages, and a high turnover rate.

Thus, while tourism thrives in many prosperous local and regional economies alongside diverse industries, it is also available and feasible as a generator of employment and income in many communities where resources and productive capacity are otherwise limited. There is a specific national interest in tourism as a mode of economic development in many depressed areas. This interest has been expressed by Federal support for local and regional efforts to develop tourism resources as a means of generating employment and income. The Economic Development Administration and regional development commissions have helped finance local investment in infrastructure, and the Department of Housing and Urban Development (HUD) has

provided similar assistance for depressed urban areas. The SBA has extended loans of more than \$100 million to finance tourism-serving small businesses.

The National Interest in Meeting Business Travel Demand

Many of the facilities and services used in recreational and personal travel are used also for business travel, in which the national interest is clearly strong and pervasive. In our continentwide market served by a network of producing and marketing activities, business visits, meetings, and conventions are important mechanisms for realizing the economies of scale and of comparative advantage among firms and locations, and for disseminating technological and market information. Business conventions and organized "markets" (e.g., in furniture or apparel) characteristic of the U.S. economy are the contemporary "market places" where suppliers, producers and customers, sellers and buyers, meet to "do business" and discuss their common concerns. Business meetings are the medium of communication, instruction, and exchange in the business world. Professional conventions are a means of dissemination of knowledge and know-how, and thus add both to productivity and the quality of life.

These forms of travel are particularly important to cities which each year host many thousands of conventions and business meetings and which contribute millions of dollars to the local economies. It is difficult to specify exactly the size and economic contribution of U.S. conventions and business meetings but the general national magnitudes can be estimated.¹⁵

The 47 U.S. cities represented in the surveyed membership of the International Association of Convention and Visitor Bureaus (IACVB) held well over 7,000 conventions in 1973.¹⁶ The volume of sales meetings must be at least five times this number.¹⁷ Trips by U.S. residents to conventions number 10 million annually and their expenditures in the convention cities probably total more than \$2 billion.¹⁸ In addition would be the numbers and expenditures of international visitors attending conventions in the United States.¹⁹

¹⁵ Difficulties encountered in determining exact figures include the lack of collection of convention data which is comprehensive in terms of all U.S. cities; the varying definitions and distinctions among conventions and business and trade association meetings; the absence in the USTS published data of a separation between business and convention travel; and the ambiguity in the count of convention delegates and attending family members and the attribution of average expenditures per delegate. Most of these difficulties are found as well in determining international convention markets. See *The Market for International Congresses*, USTS, 1975.

¹⁶ The "1973 IACVB Convention Delegate Expenditure Survey Analytical Report," U.S. Travel Data Center, 1975, reports on 760 U.S. conventions and this represents a 10-percent sample of conventions in member cities. These figures may significantly understate the number of conventions, however. By this methodology, Washington, D.C., is estimated to have had 280 conventions, whereas the total based on a count by D.C. hotels was about twice as high.

¹⁷ Some years ago the estimates of conventions and sales meetings was 35,000. Donald E. Lundberg, *The Tourist Business*, 1972, p. 33, referring to figures from *Sales Meeting Magazine* for 1968.

¹⁸ Unpublished data taken directly off the tapes from the National Travel Survey by the staff of the DOT indicates that 5,534,000 of the over 61 million person-trips by automobile are to a convention destination. Application of the IACVB survey estimate of 51.3 percent of convention delegates arriving by private auto indicates approximately 10 million trips to conventions by all means of transportation. The IACVB survey showed an average estimated expenditure per delegate of \$191 in 1973. The survey questionnaire does not make clear whether all expenditures of people in the party are included in the delegate estimates and does not distinguish between persons in the party who were or were not delegates. Nevertheless, an average of \$200 expenditure (in current prices) in addition to travel for each person traveling to the convention appears reasonable.

¹⁹ U.S.T.S. estimates 840 international conventions, congresses and meetings in North America (U.S., Canada, Mexico) in 1974, with an attendance of 462,400, including U.S. residents.

The National Interest in Facilitation of International Tourism

A particular national interest attaches to international tourism. The crossing of frontiers by definition involves issues of national security and international relations. International tourism also involves competition between the U.S. tourism industries and those abroad, as well as the international balance of trade and payments. Differences in prices and exchange rates make it cheaper or more expensive to travel in one country than in another. In most other respects international tourism of the United States is analogous to internal tourism except that on the average the longer trips involve higher expenditures.

Technically, expenditures abroad by U.S. residents are imports (purchasing goods and services produced in other countries), and conversely, expenditures of foreign residents in the United States for American goods and services are exports. Since World War II the expenditures of Americans abroad have been very large, more than double those made by foreigners in the United States. The establishment of the United States Travel Service in 1961 reflected a goal to reduce the "travel deficit" in the balance of payments by attracting more foreign travel to the United States. (A governmental proposal in the late 1960's to discourage foreign travel by Americans through taxation was aborted by public and legislative opposition.) In the past several years, however, since the overhaul of the international currency arrangements and payments mechanisms, the United States has not had even an implicit policy of discouraging travel abroad; and policies for encouraging travel to the United States are pursued, like other forms of international trade, more for general economic benefits than for specific balance-of-payments reasons.²⁰ There is a national interest in encouraging foreign travel to the United States based, like the interest in domestic travel or the interest in any other form of exports, on the advantages to the domestic economy and to U.S. business.

These interests are by no means insignificant. Worldwide, international tourism receipts in 1974 totaled \$29 billion, making it one of the largest items of international trade.²¹ In 1974, foreigners made 14 million trips to the United States and spent \$4.7 billion on U.S. goods and services. Americans, on the other hand, made 24 million trips abroad and spent \$7.6 billion outside the country. The former represents an important source of business for the U.S. travel industry; the latter represents competition for the American consumer dollar within the framework of the potentially beneficial free international exchange of goods and services.

Apart from business considerations, certain other national interests are involved in the entry of foreigners into the United States: notably, those expressed by the immigration laws, the laws protecting the public health, and laws governing imports into the United States. These interests concern the exclusion of ineligible or (legally) "undesirables" and the prevention of smuggling, particularly of narcotics. At ports of entry, these exclusions generated frictions which conflict

²⁰ Before the establishment of the new arrangements, the balance of payments was a significant problem and has been identified as a national interest in tourism. For example, this was the concern of the Industry-Government Special Task Force on Travel, which reported to the President in February 1968.

²¹ Louis Turner and John Ash, *The Golden Hordes*, London, 1975, p. 113.

with the free and welcome entry of foreigners traveling to the United States.

The National Interest in Tourism in Relation to the Public Domain

The earliest expression of the national interest in tourism, as such, was in the Act of 1872 designating Yellowstone Park as an area for public use and enjoyment. Since then there has been a continuous expansion of those portions of the public domain set aside or acquired expressly for, and made accessible to, recreational tourism. These actions of the Federal Government have stimulated similar actions by States and countries in dedicating public land for tourism and recreational uses, thereby multiplying the number of available tourism destinations.

In the beginning the Federal actions were in the direction of developing certain choice lands already in public ownership and making them accessible to travelers who might wish to visit them because their natural beauty or because their potential for recreational activity made them national resources to be developed and preserved for the public benefit. From this it was but a step to the acquisition and development of parks, seashores, recreational areas, and historical and cultural sites, as monuments too rare and precious to be left to the chances of private ownership for exclusive use or for commercial exploitation. More recently, as the flow of tourism has become a flood, emphasis has shifted from enlarged availability to a greater concern for conservation and protection against over-exploitation. This has raised issues of the kinds and intensities of land use to balance the objectives of accessibility with the objectives of environmental and ecological protection.

So great has been the demand for scenic and recreational sites and campgrounds that the vast public land holdings of the United States have, as a matter of policy, evolved into natural resources in a wide variety of uses and combinations of uses. Public forest lands, grazing lands, lands for water impoundment, conservation lands, with their characteristic modes of use and management, offer opportunities for multiple use: forestry plus recreation; water storage plus water-based recreation; seashore recreation plus permanent habitation; coastal zone management plus recreation, etc. Multiple uses give rise to a multiplicity of considerations in matters of access, intensity and compatibility of uses, availability of suitable facilities, carrying capacity, protection of the resource and of its environment. In such cases, the national interest extends both to the tourism potential and to the perpetuation of the resource and its complementary uses.

OTHER NATIONAL INTERESTS INTERACTING WITH TOURISM

Interaction with the Functioning of the National Economy

Since mass tourism has evolved in the United States and Western Europe as the child of the affluent society, its future is bound up with the growth and distribution of personal income, and most particularly discretionary income.²² There is a national interest not only in the orderly growth of the tourism industries but equally in the spread

²² In 25 years, since 1950, expenditures on recreation and transportation have increased five-fold, and on foreign travel 10-fold.

of the mass market to the entire population. In the latter respect, it overlaps the Nation's interest in eradication of poverty. Such data as we have suggest that many aspects of tourism are sensitive to the business cycle; consequently, the interest in orderly growth of tourism is one aspect of the interest in orderly economic growth. Except for energy policy and its effect on transportation, no national policy is so important to tourism as the policy of sustained growth of employment and income.

Similarly, the travel industry, as such, shares in the national interest in a healthy competitive economy with a rate of investment sufficient to support a supply commensurate with growing demand. Most of the components of the tourism industry exhibit the characteristics of competition, including ease of entry and responsiveness of supply to increased demand and profit opportunities. Some face vigorous competition from abroad, but the tourism industry in general is certainly not an infant industry, or (except for rail transportation) a sick one, or a victim of technological obsolescence or redundant employment. It is vulnerable to large-scale shocks in the functioning of the transportation and energy systems, as discussed below.

Interaction with the Functioning of the Transportation System

Tourism by definition involves transportation. Efficient, economical transportation encourages tourism; at the same time, tourism provides a mass market which encourages the development of efficient transportation facilities and services, such as those that characterize our excellent highway, air, and bus transportation facilities. Thus, the transportation system both affects and is affected by the volumes, directions, and kinds of tourism.

The national interest in tourism has been reflected in the national decisions in respect of the interstate highway system, dating back many decades to Federal support of the ABC highways, in recognition of the prime role of the motor vehicle in intercity passenger transportation. Within the regulatory process, the national interests in tourism need to be balanced with the interests in a viable, integrated transportation system. The national interest in this balance—and, in the long run, coincidence—of interests has been difficult to achieve in the face of fragmentation and inconsistencies in the statutes, agencies, and actions that compose the regulatory process.

Interaction with the Functioning of the Energy System

The travel industry consumes a relatively large amount of energy in relation to its size because of its dependence on long-distance auto and air transport. Petroleum use for transporting tourists has been estimated at some 1.7 million barrels per day, or approximately 10 percent of total U.S. petroleum consumption (7 percent by autos, 3 percent by scheduled aircraft, and minor amounts by other modes).²³

The energy efficiency of travel has recently become a matter of national interest as the United States strives to reduce its dependence on imported fuels. Heretofore, except in World War II, the national interest in choice of travel made was satisfied by ensuring travelers a wide selection among competing modes, and energy consumption was seen as a concomitant of the market choice, with market consequences. The transportation modes evolved in a context of cheap pe-

²³ U.S. Travel Data Center, *Importance of Tourism*, 1975, pp. 9-10.

troleum fuels available in unlimited quantities from an infinitely elastic supply system.

The abrupt ending of that situation in 1973 and the sudden concern for energy cost and energy conservation have changed the national interest in the relationship between tourism and travel: the Nation is no longer indifferent to energy efficiency, and the energy costs of transportation are significant and may become more so. As long as the effects are price effects, they will be arbitrated by the market. Should absolute constraints be imposed on energy use or on transportation fuels, as happened briefly in early 1974, tourism will be a claimant, but not a residual claimant, on energy supplies; and energy conservation will be a constraint, but not an absolute constraint, on tourism.

Impacts on tourism resulting from these constraints would depend greatly on how reduced supplies were allocated among alternative uses. The 1973-74 oil embargo experience and related fuels allocation policies exerted a particularly negative influence on auto-oriented tourism because of the weekend limitations on gasoline sales and the uncertain availability of fuel at other times. In response to these circumstances the Senate in 1974 expressed its concern that appropriate regard for the industry's importance be given in fuel allocations policies (S. Res. 281).

Interaction of Tourism Information Base with the System of Social and Economic Statistics

Precisely because tourism activities are so varied and the tourism industries so diverse, the existing information base is deficient for planning public actions in respect of tourism and for measuring its several impacts. Though some aspects of tourism are well documented (e.g., air travel, international tourism flows, use of some public facilities), information concerning the principal flows, that is, by private automobile, and concerning the economic impacts is spotty and disjointed, lacking in comprehensiveness and comparability. Systematic information on the economic characteristics of demand and demand elasticities for the various components of tourism is inadequate, as is information on investment and supply.

The national interest in an adequate information base has been recognized in the authorization of the Census Bureau's quinquennial National Travel Survey, but previous surveys have developed only limited coverage with statistically reliable information not being generated for many States and most metropolitan areas. Transportation surveys are spotty and incomplete. Measurements of certain aspects of tourism as consumption are obtainable at infrequent intervals from household surveys of consumer expenditures. It is doubtful that any other economic activity of comparable size and importance would be required to make do with so weak a base of information and research.

An adequate information base would span a wide range of data concerning tourists and tourism including social as well as economic characteristics and impacts and expenditure data, in such forms as permit them to be related to the socioeconomic information system. The National Travel Survey and model transportation information as currently available or planned represent only beginnings of what is needed.

Interaction of Tourism and Environmental Protection

At their best, facilities and activities for tourists can have the effect of conserving or upgrading the surrounding environment. Many central city renewal areas have been based on tourism attractions or have incorporated tourist facilities. Low-value, low-use rural areas have been reshaped and redeveloped for outdoor recreation or camping. The development of tourism and the protection of the environment are compatible and reinforcing where policies and programs are pursued to control them.

But in the past decade, as tourism has grown in volume and intensity, certain tourism activities have produced side effects that threaten to degrade the environment. The preferred modes of transportation—the motor vehicle and the airplane—are potential sources of air pollution. Intensive use of recreational lands and waters can result in degradation of the land and pollution of the waters. In extreme cases, these can seriously impair the quality of the tourism experience.²⁴ These issues may be expected to become more urgent as rising incomes increase the demand for tourism outlets and activities.

While land use in general is a State and local responsibility, Federal legislation can assert a Federal interest (e.g., in land acquisition or coastal zone management, or roadside billboard control), and Federal law, regulation, and administration governs Federal lands in tourism uses. Uses of private lands can be influenced by incentives to landowners for permitting multiple use, including tourism, by purchase of easements, and by asserting public rights to access. Densities of use in the most popular sites can be controlled directly or through concessionnaires, and action can be taken to divert tourism flows to the less crowded (often equally desirable) facilities. These are legitimate concerns of Federal policy.

Interaction of Tourism and Clearance of International Visitors

As tourists, foreigners entering the United States are uniformly welcome; as aliens, they are subject to the laws governing immigration, customs, and public health. The laws and regulations being what they are, designed to detect illegal entrants, criminals, smugglers, political undesirables, suspected carriers of infectious diseases (or infected plant life), etc., some degree of screening, however courteous and benign, is practiced in an attempt to isolate suspects. To a greater or lesser degree, these practices may irritate arriving visitors who are subjected to them—the more so as the Government struggles to stop the flow of unlawfully imported narcotics.

Both the promotion of international tourism to the United States and the control of illegal entry of aliens and contraband are in the national interest. The compatibility of the two interests apparently lies in simplification of immigration and customs procedures as far as is consistent with the minimum required efficacy.

Interaction of Tourism and Public Revenues

Because tourism is so largely market-oriented, the market largely determines who pays for what. But public funds also are heavily committed. The interstate highway system is massively financed from Federal funds, raised through user charges (motor fuel taxes), and

²⁴ See, for example, "Paying a Visit to Old Faithful," *Washington Post*, July 22, 1976, p. 1.

rail passenger service and airports are aided by Federal subsidies. Recently more and more public tourist facilities have looked to user charges to help defray at least their operating costs. The extent to which, as a matter of policy, public tourism and recreational facilities should be supported by user charges, as opposed to free access, presents issues between tourism policy and fiscal policy for Congress to decide. On the one hand, charges may be a way of rationing use and raising the level of budget support; on the other hand, rationing by price may have perverse and regressive social consequences.

A different sort of issue is presented by "tax expenditures" in support of business tourism. The cost of business travel clearly is a business expense, recognized as such. This applies to business meetings as well as to travel for day-to-day transactions. And it applies to travel to business-oriented conventions, though conventions typically involve recreational as well as business activities. Indeed, the income generated by recreation is one reason why conventions are so eagerly sought after and competed for by host cities. As the recreational component becomes larger in relation to the business component, questions are raised as to the point where the U.S. Treasury will be, in effect, financing half of what is essentially a business (or professional) person's vacation. The question is particularly pointed in respect of conventions held abroad. The interest in promoting tourism suggests the less stringent approach, the more so because more stringent tax treatment of U.S. business people in conventions abroad may provoke retaliation from other countries, to the detriment of cities hosting international conventions. The interest in tax equity suggests the stricter treatment.

Interaction of Tourism and Consumer Protection

As tourism has flourished, a network of travel services has evolved to mediate between individual tourism consumers and the array of transportation and facilities available to them in domestic and international travel. The market being so large, these services have become highly specialized: travel agents (retail); wholesalers, operators, brokers, financiers, etc. These specialists make providers all over the world accessible to individual or group tourists and make possible economies of scale (as well as convenience). Occasionally, through negligence or fraud, these arrangements break down, and various protection remedies have been proposed to the Congress and to the CAB to impose some degree of Government supervision to protect consumers from irresponsible or fraudulent practices by travel agents or other intermediaries. Clearly, on the one hand, consumers are entitled to protection from fraud or negligence. On the other hand is the question whether the Government should undertake to regulate the more than 7,000 (mostly small and local) businesses engaged as purveyors of travel services.

APPENDIX C

A REVIEW OF FEDERAL TOURISM AND TOURISM-RELATED LEGISLATION

INTRODUCTION

The history of Federal legislation addressed specifically to tourism is relatively brief. The first such legislation was the Domestic Travel Act of 1940,¹ which vested the Secretary of the Interior with authority "to encourage, promote and develop travel within the United States."² The history of Federal legislation relevant to an analysis of national tourism policy, however, can be traced at least as far back as 1872, when Congress established Yellowstone National Park.³ Since that time, expansion of the Federal interest in such fields as resource management, economic regulation and transportation development has held to the establishment of a diffuse collection of laws directly or indirectly related to tourism in the United States.⁴

The purpose of this appendix is to provide an overview of the most significant Federal tourism and tourism-related legislation, both enacted and proposed. A summary review of such legislation will illustrate the historical approach to Federal tourism policy and will assist in the identification of areas of current statutory complementarity and conflict.

The first section below presents an analysis of proposed and existing legislation having as an exclusive or dominant purpose the furtherance of certain national interests in tourism. It is followed by a review of proposed and existing legislation addressed primarily to other national interests that interact with or relate to the national interests in tourism. Some observations regarding the relationship of the two statutory fields are set forth in the concluding section.

The compilation of statutes which follows does not deal with the original executive department enabling acts; only legislation instituting specific programs is discussed because program-level authorizations provide a finer-grained perspective of the nature and growth of Federal involvement in tourism and tourism-related matters.

FEDERAL TOURISM LEGISLATION

Tourism Promotion and Development Legislation

The Congress has passed only a few bills addressed specifically to tourism promotion and development. Chronic deficits in the travel

¹ Public Law 76-744, 54 Stat. 773.

² Public Law 93-193, 87 Stat. 765, transferred this authority to the Secretary of Commerce.

³ Act of Mar. 1, 1872.

⁴ Compilations of Federal tourism and recreation programs and partial lists of corresponding statutory authorizations are presented in U.S. Department of Commerce, USTS, Inventory of Federal Tourism Programs (Washington, D.C., May 1970); and National Tourism Resources Review Commission, Destination U.S.A., vol. IV (Washington, D.C.: GPO, June 1973).

account of the U.S. balance of payments were the primary stimulus to legislation aimed at increasing the flow of foreign visitors to the United States. Similarly, recognition of the importance of domestic tourism to the economy was responsible for the recent revitalization of a small-scale Federal domestic tourism program. This section briefly describes the historical development and present status of Federal tourism promotion and development legislation.

The International Travel Act of 1961⁵ is the organic legislation responsible for the establishment of the USTS in the Department of Commerce. The declaration of legislative purpose in the act stated that it was intended:

. . . to strengthen the domestic and foreign commerce of the United States, and promote friendly understanding and appreciation of the United States by encouraging foreign residents to visit the United States and by facilitating international travel generally.⁶

To further these purposes, five specific duties were assigned to the Secretary of Commerce:

1. Develop, plan, and carry out a comprehensive program designed to stimulate and encourage travel to the United States by residents of foreign countries for the purpose of study, culture, recreation, business, and other activities as a means of promoting friendly understanding and good will among peoples of foreign countries and of the United States;

2. Encourage the development of tourist facilities, low-cost unit tours, and other arrangements within the United States for meeting the requirements of foreign visitors;

3. Foster and encourage the widest possible distribution of the benefits of travel at the cheapest rates between foreign countries and the United States consistent with sound economic principles;

4. Encourage the simplification, reduction, or elimination of barriers to travel, and the facilitation of international travel generally;

5. Collect, publish, and provide for the exchange of statistics and technical information, including schedules of meetings, fairs, and other attractions, relating to international travel and tourism.⁷

These mandates are to be executed in a manner that optimizes the utilization of existing Federal programs. The Congress declared that the Secretary, in the performance of the above stated duties:

1. Shall utilize the facilities and services of existing agencies of the Federal Government to the fullest extent possible including the maximum utilization of counterpart funds; and, to the fullest extent consistent with the performance of their own duties and functions, such agencies shall permit such utilization of facilities and services;

2. May consult and cooperate with individuals, businesses, and organizations engaged in or concerned with international travel, including local, State, Federal, and foreign governments, and international agencies;

3. May obtain by contract and otherwise the advice and services of qualified professional organizations and personnel;

⁵ Public Law 87-62, 75 Stat. 129.

⁶ *Ibid.*, section 1.

⁷ *Ibid.*, section 2.

4. After consultation with the Secretary of State, may establish such branches in foreign countries, as he deems to be necessary and desirable.⁸

In another provision of the International Travel Act, the Secretary was directed in the exercise of these responsibilities to refrain from conducting activities in competition with private enterprise.⁹ In the section establishing the USTS and the position of Director of USTS, it was stated that "all duties and responsibilities of the Secretary under this Act shall be exercised directly by the Secretary or by the Secretary through the Director."¹⁰

By this act, the United States' first international travel promotion program was authorized at an initial funding of \$3,000,000, "not to exceed \$4,700,000 for each fiscal year thereafter."¹¹ a limitation that was effective until 1970.

Since its enactment, the International Travel Act has been amended several times, usually to increase the level of funding for USTS by modest amounts, but also for other purposes. The most important substantive amendments to the act were made in 1970, 1973, and 1975.

In 1970, Public Law 91-477 amended the International Travel Act by granting the Secretary new authority to: (1) make matching grants to States, cities, and nonprofit organizations; (2) enter into contracts with profit-making organizations for joint projects with the Government; and (3) make awards of merchandise manufactured and purchased in the United States to foreign travel agents and tour operations for incentive purposes.¹² Importantly, the 1970 amendments also provided for the establishment of an independent study group, the National Tourism Resources Review Commission (NTRRC). The NTRRC mandates included, *inter alia*:

... determining policies and programs which will insure that the domestic travel needs of the present and future are adequately and efficiently met, (and) determining whether a separate agency of the Government should be established, or whether an existing department . . . within the Government should be designated, to consolidate and coordinate tourism research, planning, and development activities presently performed by different existing agencies of the Government.¹³

The NTRRC's six-volume report to the President and the Congress, Destination U.S.A., was transmitted in June 1973. Its principal recommendation was the formation of a National Tourism Administration (NTA) to implement a congressionally formulated national tourism policy.¹⁴ Following NTRRC's recommendation, a bill to establish NTA was introduced in the first session of the 93rd Congress. The National Tourism Act of 1973 (S. 2536) was introduced by Senator Inouye on October 4, 1973, "to serve as a catalyst to generate constructive suggestions from all sectors of the travel industry and from the many agencies which share responsibility for the tourism programs of the Federal and State governments."¹⁵

⁸ Ibid., section 3(a).

⁹ Ibid., section 3(b).

¹⁰ Ibid., section 4.

¹¹ Ibid., section 6.

¹² Public Law 91-477, 84 Stat. 1071, legislative history in U.S. Cong. & Adm. News, 91st Cong., 2d sess., p. 4266.

¹³ Ibid.

¹⁴ National Tourism Resources Review Commission, op. cit. vol. I, p. 4.

¹⁵ National Tourism Act of 1973, "Hearings Before the Subcommittee on Foreign Commerce and Tourism of the Committee on Commerce, U.S. Senate, 93d Cong., 2d sess., Apr. 25 and 26, 1974," committee print (Washington, D.C.: GPO, 1974, p. 1.

In the proposed National Tourism Act's purpose clause, four main objectives were stated:

It is the purpose of this Act to:

1. Promote tourism in the United States by:
 - (a) providing adequate facilities not only for current but for future tourism needs,
 - (b) providing assurance of high quality in satisfying such needs, and
 - (c) cooperating with and assisting State and local governments and private industry for such purposes;
2. Improve the Nation's balance of payments by such promotion;
3. Provide for optimum utilization of Federal lands consistent with a sound environmental policy; and
4. Provide for proper dispersal of tourism activities to relieve congestion and to aid economically depressed areas.¹⁶

As proposed, NTA would have been established in the Department of Commerce, headed by an Undersecretary of Commerce for Tourism. The functions of the NTA would have been divided among the bureaus of Tourism Research and Planning, Tourism Information and Promotion, Tourism Facilities, and Regional Tourism Development. The proposed NTA would be responsible for the development of a tourism master plan, "taking into account the plans of States, regional organizations, and other Federal agencies,"¹⁷ and the coordination of "Federal, State, and local government, and private planning for the development of tourism."¹⁸

One of the most controversial provisions in the bill directed the Bureau of Tourism Facilities to "assume . . . the responsibility for the development and management of tourism facilities on Federal lands, and establish . . . a system of quality standards for tourism facilities."¹⁹ The bill would have vested the President with authority "to transfer to the Secretary . . . such authority with respect to tourist facilities and necessary lands (including the acquisition thereof) as he determines appropriate."²⁰ In short, these provisions contemplated the transfer to NTA of jurisdiction over most user facilities in the national parks, national forests, and other Federal outdoor recreation areas.

The proposed National Tourism Act received generally unfavorable comments from the executive departments and agencies affected by its provisions. Some comments, however, were quite constructive and indicated a need for increased Federal activity related to tourism. For the sake of perspective, two excerpts from written comments on the bill are presented below:

We agree with the bill's purpose of promoting tourism in the United States, and we particularly agree that there is a need for vastly improved travel information on a national scale. . . . Identification and promotion of the many tourist attractions in the country . . . may serve to relieve some of the intensive recreation use pressure now being placed on certain resources.²¹

¹⁶ *Ibid.*, section 2.

¹⁷ *Ibid.*, section 4(a) (1) (A).

¹⁸ *Ibid.*, section 4(a) (1) (D).

¹⁹ *Ibid.*, section 4(a) (3).

²⁰ *Ibid.*, section 5(b).

²¹ Letter dated Nov. 9, 1973, from Aubrey J. Wagner, Chairman, TVA, to Hon. Warren G. Magnuson, Chairman, Committee on Commerce, reprinted in "National Tourism Act of 1973, Hearings," op. cit., p. 12.

Creation of a NTA would duplicate in large part the Federal institutional structure, organization, and arrangement presently established by law in the Departments of Interior and Agriculture and others for planning, programming, managing, and coordinating the provision of recreation and tourism services. . . . Many of the programs that would be consolidated . . . now have objectives much broader than tourism itself; hence, consolidation would not serve a useful purpose.²²

Shortly after the introduction of S. 2536, the 1973 amendments to the International Travel Act were enacted.²³ The most significant feature of these amendments was the transfer to the Secretary of Commerce of the domestic travel promotion authority that previously had been granted to the Secretary of the Interior by the Domestic Travel Act of 1940. The events that led up to the transfer of this function were summarized by the House Committee on Interstate and Foreign Commerce:

The domestic travel program was established in the Department of the Interior in 1940 (P.L. 76-755) and has been administered by the National Park Service. The program was interrupted by World War II and the Korean War but was reactivated in 1968. In 1970 the authorization was increased to \$250,000 for fiscal year 1971 and \$759,000 for fiscal year 1972. However, the Department of the Interior requested no funds for fiscal year 1972 and the program is now dormant.²⁴

The Information and Educational Exchange Act of 1948 as amended,²⁵ which established the USIA, contains language similar to that in the International Travel Act: "to promote a better understanding of the U.S. in other countries. . . ." In fact, since February 1974, USIA foreign posts have been instructed "to provide informational support for U.S. trade and tourism programs."²⁶ Also, the Foreign Affairs Manual²⁷ directs that, "at posts where commerce has neither established travel promotion offices nor assigned its own officers, travel promotion activities are the responsibility of foreign service personnel. . . ."

In view of the USTS mandates expressed in section 3(a) of the International Travel Act (see text above) and the above-noted relationship between USTS and USIA, an examination of reliance by USTS on USIA resources should be pursued in phase II of this study. USTS has considerable expertise in the field of travel promotion that USIA may not have developed to the same degree, and close collaboration between these agencies—given their widely disparate levels of funding, appears to have the potential of greatly improving the effective reach of USTS' international tourism promotional activities, as well as furthering the national interests that prompted the establishment of each agency.

A Federal program with substantial international travel implications was developed pursuant to the Mutual Educational and Cultural Exchange Act of 1961, as amended.²⁸ The State Department administers several educational and cultural exchange programs under

²² Letter dated Apr. 24, 1974, from John H. Kyl, Assistant Secretary of the Interior, to Hon. Warren G. Magnuson, Chairman, Committee on Commerce.

²³ Public Law 93-193, 87 Stat. 765.

²⁴ Letter dated Apr. 21, 1976, reprinted in H. Rep. No. 94-177, 94th Cong., 1st Sess., pp. 9-10.

²⁵ 62 Stat. 6; 22 U.S.C. 1431.

²⁶ Letter from David Parker (for Creighton Holden), Assistant Secretary for Tourism, U.S. Department of Commerce, to John Hardy, Tourism Counsel, Committee on Commerce, May 3, 1976, p. 7.

²⁷ Volume 10, section 914.

²⁸ 22 U.S.C. 2451-2458.

the authority of this act that in fiscal year 1976 are supported by a \$65 million appropriation.²⁹ Of this amount, the program category of "exchange of persons" receives \$46.9 million.

The national interests supporting the educational and cultural exchange programs administered by the State Department are similar in part to those underlying the USTS international travel promotion program: "These [State Department] programs are designed to seek mutuality of interest involvement and benefit as the most effective way to develop lasting understanding."³⁰

An important promotional device stimulating domestic and international tourism has been the development of international expositions. Events such as the Seattle and New York world fairs have attracted millions of visitors from all parts of the United States and the world, and have become a major vehicle for international cultural exchange.

In 1970, Public Law 91-269 was enacted "to establish an orderly procedure by which the Federal Government determines its endorsement of and participation in international expositions to be held within the United States."³¹ For purposes of this review, Public Law 91-269 is significant first for the insights it provides into the timeliness of the U.S. approach to a coordinated international exposition policy:

The first step toward developing a national policy in this field was taken last year (1968) when, after review, the executive branch recommended and the Senate approved U.S. accession to the 1928 convention establishing the Bureau of International Expositions (BIE). . . . There remained the second step of domestic procedures and organization to deal with international expositions proposed to be held in the United States and (P.L. 91-269) complements the international convention in this respect.³²

On April 26, 1976, USTS—which exercises power delegated by the Secretary of Commerce under Public Law 91-269—tentatively reserved with the BIE a 1981 date for an international exposition to be staged in the United States. The major policy issues that ought to be considered with regard to this event, and subsequent international expositions held in the United States, have been outlined by the Assistant Secretary for Tourism:

A specific question which requires resolution is, what is the proper role of the Federal Government in international expositions held in the United States? Historically, the U.S. Government has extended Federal recognition to, and operated a pavilion at, world's fairs held in the United States, and the President has invited other nations of the world to participate in such events, and in accordance with BIE regulations, appoints the U.S. Commissioner General. However, the Federal Government has never been the organizer of a "world's fair." The initiative, the financing, organizing, operation, risks and negotiations with potential foreign participants has been left to private groups. Foreign governments on the other hand, organize and finance world fairs in other countries. They consider international expositions, as well as other great international cultural and sporting events—such as Olympics—as requiring high government-level negotiations

²⁹ Budget of the United States Government fiscal year 1976, Appendix, p. 654.

³⁰ *Ibid.*

³¹ S. Rep. No. 91-234, in U.S. Cong. & Adm. News, 91st Cong., 2d sess., legislative history of Public Law 91-269 at 3178.

³² *Ibid.*, p. 3179.

too important to international relations to be left to private individuals. . . .

These facts pose certain philosophical/political questions with regard to the U.S. national tourist office's future role in U.S. international expositions. Should USTS (or another Federal agency) assume direct responsibility for organizing such expositions? Should USTS (or another Federal agency) actively solicit and negotiate foreign government participation in U.S. international expositions? Should USTS (or another Federal agency) be authorized to make matching grants to U.S. exposition organizers?³³

In the context of this legislative review, and indeed within the broader framework of phase I of the NTPS, definitive responses to these policy questions necessarily would lack an adequate foundation. In the subsequent phases of the study, however, sufficient information developed from responsible private and governmental sources will provide the basis for specific recommendations in these areas.

One of the main objectives of Public Law 91-269, streamlining the procedure for U.S. participation in certain international expositions, was shared in part by a previous act, the Trade Fair Act of 1959.³⁴ This legislation was passed:

... to provide for the free importation of articles for exhibition at fairs, exhibitions, or expositions. . . . It will avoid the necessity for the enactment of separate laws in behalf of individual fairs, and the repeated issuance of regulations, as in the past.³⁵

Subject to certain conditions, the Trade Fair Act provided an exemption from duties and taxes for articles brought into the United States to be shown at trade and industrial fairs and other exhibitions "of a cultural, scientific, or educational nature, so long as the Secretary of Commerce is satisfied that the public interest in promoting trade will be served."³⁶ These fairs, of course, serve as an important vehicle for the promotion of travel as well as trade.

The promotion of tourism as a government objective with significant international benefits was formally recognized in August 1975 by the 35 states (including the United States) who signed the Conference on Security and Co-operation in Europe (Helsinki Accord).

The Helsinki Accord, an affirmative of the U. S. policy of détente with the Soviet Union, is a multifaceted expression of intentions. It is neither a treaty nor an executive agreement, and is not binding on the United States. Its article entitled "Promotion of Tourism" is set forth fully below:

The participating States.

Aware of the contribution made by international tourism to the development of mutual understanding among peoples, to increased knowledge of other countries' achievements in various fields, as well as to economic, social and cultural progress,

Recognizing the interrelationship between the development of tourism and measures taken in other areas of economic activity,

Express their intention to encourage increased tourism on both an individual and group basis in particular by:

Encouraging the improvement of the tourist infrastructure and co-operation in this field;

³³ Letter from David Parker (for Creighton Holden), op. cit., pp. 5-6.

³⁴ 19 U.S.C. 1761-1756.

³⁵ Legislative history in U.S. Cong. & Adm. News, 86th Cong., 1st sess., at 1436.

³⁶ Ibid.

Encouraging the carrying out of joint tourist projects including technical co-operation, particularly where this is suggested by territorial proximity and the convergence to tourist interests;

Encouraging the exchange of information, including relevant laws and regulations, studies, data and documentation relating to tourism, and by improving statistics with a view to facilitating their comparability;

Dealing in a positive spirit with questions connected with the allocation of financial means for tourist travel abroad, having regard to their economic possibilities, as well as with those connected with the formalities required for such travel, taking into account other provisions on tourism adopted by the Conference;

Facilitating the activities of foreign travel agencies and passenger transport companies in the promotion of international tourism;

Encouraging tourism outside the high season;

Examining the possibilities of exchanging specialists and students in the field of tourism, with a view to improving their qualifications;

Promoting conferences and symposia on the planning and development of tourism;

consider it desirable to carry out in the appropriate international framework, and with the co-operation of the relevant national bodies, detailed studies on tourism, in particular:

A comparative study on the status and activities of travel agencies as well as on ways and means of achieving better co-operation among them;

A study of the problem raised by the seasonal concentration of vacations, with the ultimate objective of encouraging tourism outside peak periods;

Studies of the problems arising in areas where tourism has injured the environment;

consider also that interested parties might wish to study the following questions:

Uniformity of hotel classification; and

Tourist routes comprising two or more countries;

will endeavour, where possible, to ensure the development of tourism does not injure the environment and the artistic, historic and cultural heritage in their respective countries;

will pursue their co-operation in the field of tourism bilaterally and multilaterally with a view to attaining the above objectives.³⁷

In view of these commonly manifested interests and intentions, the Helsinki Accord may provide the basis for a new era of cooperative tourism promotion and analysis among its signatories. It is too early to determine whether the Accord will have a substantive impact with regard to the variety of matters addressed in the above-quoted section. The Accord is significant, however, as an official expression of tourism policy on the part of the U.S. Government.³⁸

The 1973 amendments to the International Travel Act consolidated in one agency the responsibilities for international and domestic travel promotion. However, the newly authorized domestic activities of the USTS were not given an appropriation until Public Law 94-55 was enacted in July 1975.³⁹ The 1975 amendments to the Domestic Travel Act included a closer circumscription of Federal domestic travel promotion activities. Initially, the Domestic Travel Act permitted domestic promotion activities "providing such activities do not compete with the activities of private agencies."⁴⁰ As amended in 1975, the Secretary now is directed to promote domestic travel "through activities

³⁷ Department of State Publication 8826, August 1975, pp. 107-108.

³⁸ Within the Federal Government, only the State Department contributed to the Helsinki Accord's statement of tourism policy. Subsequent to its execution, interagency meetings were conducted at the State Department to develop implementation strategies regarding a variety of issues covered in the Accord.

³⁹ Funding of \$2.5 million annually through fiscal year 1978 was established for the USTS domestic program.

⁴⁰ Public Law 76-744, 54 Stat. 773.

which are in the public interest and which do not compete with activities of any State, city, or private agency.”⁴¹

Despite this increased restriction, the administration has continued to hold the position expressed earlier by the Deputy General Counsel of the Department of Commerce in a letter to Chairman Staggers of the House Committee on Interstate and Foreign Commerce:

The President has also decided that the Administration will strongly oppose the initiation of a domestic tourism program since there is not a national problem or need that would warrant such a new Federal program.⁴²

Thus, the administration's fiscal year 1977 budget request to the Congress contained no provision for the USTS domestic program. After fiscal year 1978, the statutory appropriation authorization for the domestic program will expire; in the following fiscal year the authorizations for the USTS international program also will expire. The respective successes of these programs, especially the domestic program, are certain to weight heavily in future tourism appropriation deliberations, both in Congress and in the Executive Office of the President. Given the current statutory and fiscal constraints imposed upon the USTS domestic program, an objective measure of its impact will be difficult to construct.

Two Senate resolutions passed within the last 2 years have expressed concerns integrally related to tourism development: S. Res. 281, a statement expressing the sense of the Senate that “in any allocation of energy supplies to alleviate the energy shortage, proper consideration should be given . . . to the provision of adequate supplies of energy to all segments of the tourism industry,” was passed unanimously by the Senate in 1974. The Congressional authorization for the NTPS, S. Res. 347, also was passed unanimously by the Senate in 1974. This resolution was drafted in response to the NTRRC's major recommendation that Congress should establish a national tourism policy. The preamble of S. Res. 347 is especially notable for its consideration of one of tourism's noneconomic contributions to society: following a recitation of statistics measuring tourism's contributions to the economy, the preamble stated that “the leisure activity provided for Americans by the tourism industry is essential for a sound and healthy society.”

Prompted by the widely reported strandings of U.S. citizens on charter tours in Europe which occurred in the early 1970's, Congress has proposed bills to protect tourists by requiring registration of travel agents. In 1973, S. 2300, a successor to S. 2577 as proposed in the 92nd Congress, was reported out of the Senate Committee on Commerce. This bill, which would have amended the International Travel Act of 1961, proposed to establish a Bureau of Travel Agents Registration in the DOT. This bureau would have been responsible for the issuance of travel agent registration certificates, which would have been required for all persons in the travel agency business as of January 1, 1974. In order to obtain a certificate of registration an applicant would have to make an adequate showing of the necessary

⁴¹ Public Law 94-55.

⁴² Letter dated Apr. 21, 1975, reprinted in H. Rep. No. 94-177, 94th Cong., 1st sess., pp. 9-10. See also letter of Secretary of Commerce Rogers Morton to the Hon. John M. Slack opposing fiscal year 1976 appropriation for the domestic tourism program, excerpted in Hearing Before the Committee on Commerce, U.S. Senate, Sept. 29, 1975, Serial No. 94-39, p. 31.

qualifications and financial responsibility to engage in the business of operating a travel agency under criteria established by the Secretary of Transportation.⁴³ This bill, however, was not enacted by Congress. An alternative bill, based on industry self-regulation, is being discussed at present.

In addition to the statistical analyses conducted by USTS pursuant to that agency's enabling legislation, the legislation for at least one⁴⁴ other Federal statistical program, the National Travel Survey conducted at 5-year intervals by the Bureau of the Census, may be classified among full-fledged Federal tourism promotional and development legislation. In the introduction to the Bureau of Census publication *Travel During 1972*, the purpose of the 1972 National Travel Survey was stated as follows:

Travel is one of the major income-producing activities in the United States. In fact, travel-related services in some areas outrank all other classes of activity with respect to the generation of income and employment. The main objective of the National Travel Survey is to provide data—principally on a national basis—for use by Federal and State agencies and other agencies and persons concerned with policy formation and promotional activities in the general field of travel.⁴⁵

The National Travel Survey is conducted within the broader framework of the Census of Transportation, pursuant to authority granted to the Bureau of Census by the Act of August 31, 1954.⁴⁶ A review of this act and its legislative history does not reveal any explicit references to travel or tourism; the clearly expressed purpose of the National Travel Survey, however, should suffice to bring this enabling act within the category of Federal tourism promotion and development legislation.

Tourism Resources Legislation

The legislation surveyed in this section deals mainly with the protection, management, and development of outdoor recreation, historic, cultural, and scenic resources. Federal programs for the protection, management, and development of natural and manmade resources (e.g., national parks and historic monuments) provide Americans and foreign visitors with a seemingly limitless array of quality attractions that collectively represent the Nation's most valuable tourism resource. The selected laws summarized below cover only a fraction of the enactments in these areas, but are adequate in number and scope to indicate both the range of purposes for which such legislation has been enacted, and the extent to which national interests in tourism have influenced the legislative process.

Natural Resource Protection, Management and Development

The Federal Government's development of some of this country's best known tourism resources, its outdoor recreation facilities and scenic attractions, commenced on March 1, 1872 with the legislative dedication of Yellowstone National Park:

⁴³ S. Rep. No. 93-458, 93d Cong., 1st sess., p. 1.

⁴⁴ The DOT's Survey of Personal Transportation and the Immigration and Naturalization Service's publication of data on international visitor traffic to and from the United States also must be mentioned in any survey of Federal tourism statistics programs.

⁴⁵ U.S. Department of Commerce, Bureau of the Census, *Travel During 1972* (Washington, D.C.: GPO, 1973), p. v.

⁴⁶ Public Law 80-373, 61 Stat. 787.

There is hereby reserved and withdrawn from settlement, occupancy or sale under the laws of the United States, and dedicated and set apart as a public park or pleasuring ground for the benefit and enjoyment of the people. . . .

In the twentieth century, our system of national parks was institutionalized by the Act of August 25, 1916, creating the National Park Service in the Department of the Interior. The Park Service was charged with responsibility for promoting and regulating the use of the national parks:

. . . by such means and measures as conform to the fundamental purpose of the said parks . . . which purpose is . . . to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations.⁴⁷

Twenty-five years after the establishment of Yellowstone National Park, the statutory authorization for the national forest system was enacted.⁴⁸ The language of the forest system enabling act, however, made it clear that the system was intended at that time "for the purpose of securing favorable conditions of water flows, and to furnish a continuous supply of timber for the use and necessity of citizens of the United States."⁴⁹

A statute that resulted in the development of important Federal outdoor recreation resources was the Flood Control Act of 1944. This law authorized the Chief of the U.S. Army Corps of Engineers to construct flood control facilities on rivers and harbors and "to construct, maintain and operate public park and recreational facilities in reservoir areas."⁵⁰ As enacted, the legislation required that "the water areas of all such reservoirs shall be open to public use generally, without charge, for boating, swimming, bathing, fishing, and other recreational purposes."⁵¹

In 1963, following recommendations made to the President and Congress by the Outdoor Recreation Resources Review Commission (ORRRC),⁵² Public Law 88-29 was passed. This legislation, "An Act to promote the coordination and development of effective programs relating to outdoor recreation, and for other purposes," authorized the Secretary of the Interior, *inter alia*, to:

1. Prepare and maintain a continuing inventory and evaluation of outdoor recreation needs and resources of the United States;

2. Formulate and maintain a comprehensive nationwide outdoor recreation plan, taking into consideration the plans of the various Federal agencies, States, and their political subdivisions. . . . The plan shall identify critical outdoor recreation problems, recommend solutions, and recommend desirable actions to be taken at each level of Government and by private interests;

3. Provide technical assistance and advice to and cooperate with States, political subdivisions, and private interests, including non-profit organizations, with respect to outdoor recreation;

⁴⁷ 16 USCA 1, 39 Stat. 535.

⁴⁸ Act of June 4, 1897, 30 Stat. 34. A forerunner of this legislation was the Act of 1891, 26 Stat. 1103, delegating to the President the power to reserve public land for forest purposes. Article IV, section 3, of the U.S. Constitution is the basic authority for Federal resource preservation programs.

⁴⁹ *Ibid.* These purposes were expanded to include outdoor recreation development by the Multiple Use and Sustained Yield Act of 1960, 74 Stat. 215.

⁵⁰ U.S. Con. & Adm. News, 78th Cong., 2nd sess., p. 889.

⁵¹ *Ibid.* The phrase "without charge" was subsequently stricken by the Land and Water Conservation Fund Act of 1965, Public Law 88-578, 78 Stat. 897.

⁵² This commission was established by the Act of June 28, 1958, 72 Stat. 238.

4. Encourage interstate and regional cooperation in the planning, acquisition and development of outdoor recreation resources;

5. Cooperate with and provide technical assistance to Federal departments and agencies . . . and promote coordination of Federal plans and activities generally relating to outdoor recreation.⁵³

These provisions were enacted subsequent to the creation of the Bureau of Outdoor Recreation (BOR)⁵⁴ in the Department of the Interior. Implementation of the statutory mandates was, and continues to be, the responsibility of BOR. In late 1973, roughly 10 years after enactment of Public Law 88-29, the Secretary of the Interior transmitted to the President the BOR report, *Outdoor Recreation, A Legacy for America*.⁵⁵

In the legislative history of Public Law 88-29, the Committee on Interior and Insular Affairs took note that the ORRC recommendations and the bill itself "contemplate that a very large part of the Nation's outdoor recreation needs will be met by private interests."⁵⁶ The committee also was responsive to the ORRC recommendation that "technical assistance by State and Federal agencies would, in many instances, be useful in helping new enterprises to start and established ones to improve their operations."⁵⁷ Neither the legislative history nor the act itself, however, explicitly recognizes the development or promotion of travel as an incident to the statute's purpose; namely, the efficient, coordinated management of outdoor recreation resources.

The BOR's coordination responsibilities mandated by Public Law 88-29 extend to all Federal "plans and activities generally relating to outdoor recreation."⁵⁸ This class includes activities of the U.S. Forest Service of the Department of Agriculture and several agencies of the Department of the Interior. Other than the National Park Service, agencies administering significant outdoor recreation programs in the Interior Department are the U.S. Fish and Wildlife Service,⁵⁹ the Bureau of Reclamation,⁶⁰ and the Bureau of Land Management (BLM).⁶¹ These organizations have jurisdiction over large blocks of Federal lands used for recreation and other purposes, totaling nearly 500 million acres. However, the bulk of the Bureau of Land Management's 450 million acres of national resource lands currently is not designated for recreational use. Pending legislation (S. 507, discussed *infra*.) in the nature of an organic act for BLM may provide the basis for expanded recreational use of such lands.

The Land and Water Conservation Fund Act of 1965, Public Law 88-578, was enacted:

. . . to assist in preserving, developing, and assuring accessibility to all citizens . . . of present and future generations and visitors who are lawfully present within the boundaries of the United States . . . such quality and quantity of outdoor recreation resources as may be available and are necessary and desirable

⁵³ U.S. Cong. & Adm. News, 88th Cong., 1st sess., pp. 49-50.

⁵⁴ The Bureau of Outdoor Recreation was established by order of the Secretary of the Interior, Apr. 2, 1962. The order transferred to BOR the nationwide recreation planning functions and cooperative relations with states previously carried on by the National Park Service under the Act of June 23, 1936. U.S. Cong. & Adm. News, 88th Cong., 1st sess., legislative history of Public Law 88-29, p. 664.

⁵⁵ Public Law 88-29 stated that the initial plan "shall be prepared as soon as practicable within 5 years hereafter."

⁵⁶ *Ibid.*, legislative history, p. 665.

⁵⁷ *Ibid.*

⁵⁸ U.S. Cong. & Adm. News, 88th Cong., 1st sess., p. 50, Public Law 88-29, section 2(g).

⁵⁹ 70 Stat. 119, as amended, 88 Stat. 92.

⁶⁰ 43 USC 391, et seq.

⁶¹ Reorganization Plan No. 3 of 1946, 5 USC 133y-16.

for individual active participation in such recreation and to strengthen the health and vitality of the citizens of the United States by (1) providing funds for and authorizing Federal assistance to the States in planning, acquisition and development of needed land and water areas and facilities and (2) providing funds for the Federal acquisition and development of certain lands and other areas.⁶²

In sum, this act provided for the establishment of a land and water conservation fund in the U.S. Treasury to receive revenues from three sources: entrance and user fees at Federal recreational areas; the disposition by sale of certain surplus Federal real and related personal property; and a portion of Federal motorboat fuel tax receipts. The act's impact upon Federal and State recreation land planning has been significant,⁶³ in part because it mandated the preparation of comprehensive State and Federal outdoor recreation plans, with authority in the Secretary of the Interior to review such plans for approval. It is also noteworthy here for its above-quoted consideration of the interests of foreign visitors along with those of citizens. Prior to 1965, enactments in the outdoor recreation area had not explicitly considered the interests of foreign visitors.

The Land and Water Conservation Fund Act and Public Law 88-29 are considered to be fundamental expression of Federal outdoor recreation policy, and central to an assessment of the adequacy of existing legislation in this field. Also, the significance of adequate supplies of public outdoor recreation resources to travel and travel-related industries dictate for this study a critical appraisal of BOR's performance relative to the goals outlined in these acts.

The Federal Water Project Recreation Act,⁶⁴ enacted shortly after the Land and Water Conservation Fund Act, was designed in response to "a difficult policy question" that had been unresolved in Federal water project planning, namely, "to what extent and under what conditions the Federal Government should include recreation development as a part of such projects."⁶⁵ The enacted bill's provisions were applicable to the water resource developments of the Interior Department and the Corps of Engineers. It was not necessary to extend the bill's reach to the Tennessee Valley Authority because that agency already "followed a policy of not providing recreation facilities at Federal cost but of transferring lands adjacent to reservoirs to non-Federal bodies for recreational development and management."⁶⁶

The act's principal provisions required that:

Full consideration shall be given to recreation and to fish and wildlife enhancement as project purposes in Federal water resources projects . . . Planning with respect to the recreational potential of any project is to be coordinated with existing and planned Federal, state and local public recreation developments . . . (and) non-Federal administration of the recreation and fish and wild-

⁶² U.S. Cong. & Adm. News, 88th Cong., 2d sess., p. 1021, section 1(b).

⁶³ By fiscal year 1974, Federal agencies had appropriated from conservation fund revenues about \$693 million for the purchase of land and water resources; States and territories had appropriated about \$1 billion through fiscal year 1974 from the fund. U.S. Bureau of Outdoor Recreation, *Outdoor Recreation—A Legacy for America* (Washington, D.C.: GPO, 1973), pp. 55, 61.

⁶⁴ Public Law 89-72.

⁶⁵ U.S. Cong. & Adm. News, 89th Cong., 1st sess., legislative history, p. 1865.

⁶⁶ *Ibid.*, p. 1868. Among the TVA's powers in the name of the United States is the power "to convey by deed, lease, or otherwise, any real property in the possession of or under the control of the Corporation to any person or persons for the purpose of recreation or use as a summer residence, or for the operation on such premises of pleasure resorts for boating, fishing, bathing, or any similar purposes." [16 USCA 831c(K)].

life enhancement features of most Federal water projects is to be encouraged by Federal agencies.⁶⁷

In two cost-allocation provisions, the act declared that "not more than \$100,000 shall be available to carry out the construction of public outdoor recreation and fish and wildlife enhancement facilities at any one reservoir,"⁶⁸ and that the cost of such facilities at any project could not exceed the sum of the allocations to other project facilities.

A number of enactments aimed at the preservation of specific natural resources also figure prominently in Federal outdoor recreation legislation. The Wild and Scenic Rivers Act and the Scenic and Recreation Trails Act, both passed in 1968, are perhaps most significant. These statutes, respectively, direct the National Park Service to establish and protect: (a) a national system of wild and/or scenic rivers—or sections of rivers—generally free of manmade obstructions and development and (b) a national system of scenic and/or recreation trails, initially to include sections of the Appalachian Trail and the Pacific Crest Trail. While these enactments are of particular importance for their environmental nondegradation provisions, they have not yet significantly affected either the demand for recreational travel or the supply of recreation resources, because most of the natural resources immediately sought to be protected were utilized for outdoor recreation purposes prior to the enactment of the protective legislation. In time, however, these acts promise to provide the bases for major expansions of fresh-water and trail-related recreation opportunities.

Historic Asset Preservation

The largely haphazard spread of urban and suburban development in the United States has threatened numerous properties of important historic value and great visitor appeal. The preservation of historic assets, like the protection of natural resources, has become the statutory responsibility of the Federal Government. In this section, some of the statutory mandates prescribing Federal historic preservation activities are examined.

The initial expression of Federal policy in this field was the Historic Sites Act of 1935.⁶⁹ In this act, "it is declared that it is a national policy to preserve for public use historic sites, buildings, and objects of national significance for the inspiration and benefit of the people of the United States."

In the Historic Sites Act, the Secretary of the Interior, through the NPS, was given power to:

... make a survey of historic and archeologic sites, buildings, and objects for the purpose of determining which possess exceptional value, ... acquire in the name of the United States ... any property ... satisfactory to the Secretary, ... contract and make cooperative agreements with states, municipal subdivisions, corporations ... or individuals ... to protect, preserve, maintain, or operate any historic or archeologic building, site, object, or property ... for public use, regardless as to whether the title thereto is the United States, (and) operate and manage historic and archeologic sites ... for the benefit of the public, such authority to include the power to charge reasonable visitation fees and grant concessions, leases, or permits.⁷⁰

⁶⁷ U.S. Cong. & Adm. News, op. cit., p. 1864.

⁶⁸ Ibid., section 7(a).

⁶⁹ Act of Aug. 21, 1935, 49 Stat. 666, 16 USCA 461.

⁷⁰ Ibid., 16 USCA 462(b), (d), (e), (h).

In addition to these provisions, the Historic Sites Act authorized the establishment of an Advisory Board on National Parks, Historic Sites, Buildings, and Monuments. This board, "to include representatives competent in the fields of history, archeology, architecture, and human geography,"⁷¹ was created to provide advice to the Secretary regarding both national parks and the variety of historic properties described in its title.

In 1966, Congress moved to expand the Federal effort in historic asset preservation by enacting the National Historic Preservation Act, Public Law 89-665. In the act's declaration of statutory purpose, Congress stated:

Although the major burdens of historic preservation have been borne . . . by private agencies and individuals . . . it is nevertheless necessary and appropriate for the Federal Government to accelerate its historic preservation programs . . . and to assist state and local governments and the National Trust for Historic Preservation⁷² . . . to expand and accelerate their historic preservation programs and activities.⁷³

In significant part, Public Law 89-665 provided for the maintenance and expansion of a National Register of Historic Places and for grants to States "for the purpose of preparing comprehensive statewide historic surveys and plans, in accordance with criteria established by the Secretary, for the preservation, acquisition, and development of such (historic) properties."⁷⁴ Two programs of matching grants-in-aid for States and the National Trust for Historic Preservation also were established to further the purposes of the act. A grant to a State for a specific project was conditioned, however, upon prior approval by the Secretary of a comprehensive statewide historic preservation plan, which in turn must be related to the comprehensive statewide outdoor recreation plan prepared pursuant to the Land and Water Conservation Fund Act of 1965.⁷⁵

A Federal historic site preservation program focusing on urban areas is administered by HUD under Title VII of the Housing Act of 1961.⁷⁶ Title VII, which is addressed generally to the preservation of open-space land in urban areas, includes in its definition of such land "any undeveloped or predominantly undeveloped land in an urban area which has value for . . . historic or scenic purposes."⁷⁷ Under its historic preservation program, HUD matching grant funds are available to States and communities for the preservation and limited improvement of properties meeting the National Park Service's criteria for inclusion within the National Register of Historic Places.

FEDERAL TOURISM-RELATED LEGISLATION

This section presents a review of selected legislation addressed to broad national interests that interact with or relate to the national interests in tourism. The legislative enactments surveyed in this section

⁷¹ Ibid., 16 USCA 463.

⁷² The National Trust for Historic Preservation was established by the Act of Oct. 26, 1949, 63 Stat. 927. A nonprofit charitable corporation, its primary purpose is to receive donations of sites, objects and buildings of historic importance.

⁷³ Public Law 89-665, 80 Stat. 915.

⁷⁴ Ibid., section 101(a)(1).

⁷⁵ Ibid., section 102(a)(2).

⁷⁶ Public Law 87-80, 75 Stat. 149, as amended, Public Law 93-383, 42 U.S.C. 5301-5317.

⁷⁷ Ibid., section 706(1).

pertain to national interests in transportation investment and regulation, regulation of traffic entering and departing the United States, economic development, environmental quality, energy conservation, and land use.

It is certain that many of the national interests that the legislation discussed in this section attempts to protect or promote are closely related to national interests in tourism. For instance, visa requirements and customs procedures protect a national security interest, and at the same time may conflict with national interests in the promotion of international tourism to this country. Or, on the other hand, fundamental national interests in environmental protection may complement national interests in tourism by assuring the integrity of outdoor recreation resources. Overall, this section is intended to explore the variety of interrelationships between and among such interests.

Transportation Investment and Regulation

The Federal role in the development of highway and airport facilities clearly has benefited the Nation's tourism industry. In addition, Federal economic and other regulatory programs in the transport area have substantial effects upon the demand for domestic and international travel in the United States. This section presents a review of some of the basic legislation underlying Federal transportation investment and regulatory activities.

Highway Investment

Federal aid highway development programs have been enacted since 1916.⁷⁸ Federal funding for the 42,500-mile interstate highway system, the central feature of the Federal program, has been justified on several grounds, including national defense, economic growth, public safety, and the facilitation of tourism:

Accompanying the large increase in the number of motor vehicles operated by our citizens is the rapidly increasing tendency of such citizens to travel in their own automobiles. There has been a trend toward longer vacations, increased vacationing in southern climes in the wintertime, earlier retirements, and more leisure time. This has created the desire for improved highways on which to reach recreational areas in our National and State parks, national forests, and around Federal reservoir areas. Access roads to these locations can be reached over the improved Federal-aid systems.⁷⁹

At present, the Federal Highway Administration FHWA of the DOT is responsible for the planning and administration of Federal highway programs.⁸⁰ As of December 31, 1975, the national interstate program was 88 percent complete; its final completion date is uncertain at this time.⁸¹ National forest highways (see, e.g., program authorizations in Federal Aid Highway Act of 1968, Public Law 90-495, 78 Stat. 158) are included in the group of Federal highway programs,

⁷⁸ Act of July 11, 1916, 39 Stat. 355.

⁷⁹ Federal-Aid Highway Act of 1961, Public Law 87-61, 75 Stat. 122, legislative history, U.S. Cong. & Adm. News, 87th Cong., 1st sess., p. 1790.

⁸⁰ The FHWA was created in the DOT pursuant to the DOT Act, Public Law 89-670, 80 Stat. 931. This act transferred to FHWA the functions of the Bureau of Public Roads which had been organized in the Department of Commerce.

⁸¹ Data supplied by FHWA, Office of Interstate Reports. It is not certain whether or to what extent the statutory deadline for highway funding authorizations (1979) will be extended. Two bills (H.R. 8235 and S. 2711) which were in conference as of February 1976 contain different authorization proposals: The Senate bill contains no funding extension past 1979, and the House bill provides for an extension through 1988.

and cover the maintenance and construction of roads within and adjacent to our national forests.

Airport Investment

The FAA, originally organized as an independent agency by the Federal Aviation Act of 1958⁸² and subsequently transferred to DOT, also has played an important role in the development of transportation facilities. Through the Airport Development Aid Program,⁸³ FAA grants have been authorized for the construction and modernization of hundreds of airports throughout the country. Furthermore, the FAA has promoted the standardization of navigation techniques and equipment and other safety measures.

Automotive Regulation

The DOT significantly affects travel in the United States through programs other than its highway aid and airport grant activities. For example, the National Highway Transportation Safety Administration (NHTSA) within DOT promulgates motor vehicle safety standards pursuant to the National Traffic and Motor Vehicle Safety Act of 1966.⁸⁴ To date, NHTSA has adopted several motor vehicle safety standards that have improved the safety characteristics of vehicles sold in U.S. markets, but also have contributed to increased manufacturer's costs.

Under the provisions of Title V of the recently enacted Energy Policy and Conservation Act,⁸⁵ DOT has been given jurisdiction to enforce minimum average fuel economy standards for automobiles sold in U.S. markets. Section 502(a)(1) of this act establishes mandatory weighted average fuel economy standards for manufacturers of 18 miles per gallon (mpg) for the 1978 model year, increasing to 20 mpg for the 1980 model year and 27.5 mpg by the 1985 model year.⁸⁶ Self-powered recreational vehicles and pickup trucks are not covered by this act.

Subject to administratively determined exceptions, failure to comply with these standards could entail a civil penalty to a manufacturer of \$5 for each tenth of a mile per gallon by which actual average fuel economy is exceeded by the statutory standard, multiplied by the number of vehicles produced by a manufacturer in a model year. A similar "credit" provision is applicable to manufacturers whose autos exceed the statutory standard in a given model year.

Because the average fuel economy performance for each manufacturer is determined on a weighted average basis, the law provides an incentive to increase the production of small cars relative to larger models. Compliance with the standards, however, should not eliminate the production of powerful passenger cars needed to haul trailer-type recreational vehicles.

⁸² Public Law 85-726.

⁸³ Airport and Airway Development Act of 1970. The first Federal Airport Act, 60 Stat. 170, was enacted in 1946.

⁸⁴ 42 USC 1381.

⁸⁵ Public Law 94-163, 89 Stat. 901, 15 USC 2001, et seq.

⁸⁶ Standards for the 1981-84 model years will be determined by the Secretary of Transportation.

Air Transport Regulation

A second major facet of Federal transportation regulation—rate and route approval—is under the jurisdiction of the ICC, CAB, and FMC. Of these, the CAB currently plays the most influential role in Federal tourism-related economic regulation.

The CAB's predecessor, the Civil Aeronautics Authority, was created in 1938 pursuant to enactment of the Civil Aeronautics Act.⁸⁷ The CAB came into existence following Reorganization Plan No. IV of 1940, and its functions were continued under the Federal Aviation Act of 1958.⁸⁸ In that act, the Congressional declaration of CAB policy was stated, in relevant part, as follows:

In the exercise and performance of its powers and duties . . . the Board shall consider the following, among other things, as being in the public interest, and in accordance with the public convenience and necessity: . . . (b) the regulation of air transportation in such manner as to recognize and preserve the inherent advantages of, assure the highest degree of safety in and foster sound economic conditions in, such transportation . . . (c) the promotion of adequate, economical, and efficient service by air carriers at reasonable charges, without unjust discriminations, undue preferences or advantages, or unfair or destructive competitive practices; (d) competition to the extent necessary to assure the sound development of an air transportation system properly adapted to the needs of the foreign and domestic commerce of the United States.⁸⁹

These provisions of the Federal Aviation Act of 1958 are applicable, *inter alia*, to the CAB's certification,⁹⁰ permit⁹¹ and tariff⁹² deliberations. These and other principles set forth in the act have had a significant impact upon the supply and price of air transport services in the United States, and by implication, the demand for such services.

In the Secretary of Transportation's recent National Transportation Policy Statement, the effects of Federal economic regulatory programs such as those administered by the CAB were characterized as follows:

Carriers, shippers and passengers frequently face a web of restrictive government regulations which stifle competition, discourage innovation and foster inefficiency. The present regulatory structure is in many respects outdated, inequitable, inefficient, uneconomical and frequently irrational. It often misplaces incentive and disincentive, distorts competitive advantage, protects inefficient carriers from effective competition, overrestricts market entry, artificially inflates rates and misallocates our nation's resources. . . . The inflexibility of these unmoded regulations impedes the development of lower cost, more efficient national transportation.⁹³

The proposed Aviation Act of 1975 (S. 2251, 94th Cong., 1st Sess.) would alter the CAB's section 102 policy guidelines to include:

⁸⁷ 49 USCA 421.

⁸⁸ Public Law 85-726.

⁸⁹ Section 102, Federal Aviation Act of 1958, Public Law 85-726, U.S. Cong. & Adm. News, 85th Cong., 2d sess., pp. 865-866.

⁹⁰ A certificate of public convenience and necessity is required for the operation of air transportation services in the United States. After a public hearing upon an application for certification, "the Board shall issue a certificate . . . If it finds that the applicant is fit, willing and able to perform such transportation properly . . . and that such transportation is required by the public convenience and necessity." Subsection 401(d)(1).

⁹¹ The criteria for issuance of such a permit are similar to those quoted in the preceding footnote, and the Secretary of State may consult with the CAB "as appropriate . . . concerning the negotiation of any agreement with foreign governments. . . ." Section 802.

⁹² Every domestic and foreign air carrier must file with the Board for approval "tariffs showing all rates, fares and charges for air transportation between points served by it." Section 403(a). The CAB may prescribe regulations for the filing, posting, publication, and content of tariffs, and may reject any tariff "which is not consistent with . . . such regulations." Subsection 403(a).

⁹³ William T. Coleman, Jr., Secretary of Transportation, "A Statement of National Transportation Policy" (Washington, D.C.: GPO, Sept. 17, 1975), p. 13.

... among other things, as being in the public interest . . . the encouragement and development of an air transportation system which is responsive to the needs of the public . . . the provision of a variety of adequate, economic, efficient and low-cost services . . . maximum reliance on competition to provide the needed air transportation system.⁹⁴

Other provisions in this proposed legislation are intended to streamline the CAB's restrictive approach to economic regulation. The bill is responsive to the need for regulatory change implicit in the above-quoted portion of Transportation Secretary Coleman's transportation policy statement, and its promise to infuse consumer-oriented considerations hitherto absent from CAB decisionmaking ultimately would have a beneficial impact upon the adequacy and cost of scheduled airline services.⁹⁵

Rail and Bus Investment and Regulation

The ICC was created as an independent agency by the Interstate Commerce Act of 1887.⁹⁶ Its jurisdiction over interstate commerce has been expanded over the years by legislation such as the Motor Carrier Act of 1935 and the Transportation Acts of 1920, 1940, and 1958. The ICC's regulation of interstate rail and bus routes and rates is particularly germane to this review, as these transport services annually carry millions of Americans (and many foreign visitors) to points throughout the country.

For many communities, bus passenger service is the only accessible means of interstate travel by common carrier. Although State regulation may pose special problems to some segments of the bus transport industry (e.g., charter bus service) Federal regulation of interstate bus services has not proven unduly burdensome to the industry, and on balance seems to have been beneficial to consumers. In general, the bus industry offers a safe, economic alternative to higher priced rail or air transport between interstate destinations, and also provides an energy-efficient alternative to passenger car and air travel.

In the case of rail transport, intercity passenger service has declined markedly in both quantity and quality in the last decade. A recent legislative development aimed at the reversal of this trend was the Rail Passenger Service Act of 1970, as amended,⁹⁷ which created the National Railroad Passenger Corporation (Amtrak). Amtrak is a quasi-official Federal agency that operates about 240 trains daily on a contract (for profit) basis with 12 railroads; it owns and operates the rolling stock of these 12 carriers, while the roadbeds, signaling systems and other property are owned by the railroads. Investment capital and operating losses, at least in the early stages of development, are Federally supported. Amtrak currently provides about 90 percent of the Nation's intercity rail passenger service, covering 460 stations over 24,500 miles of railroad.

The Secretary of Transportation has suggested a long term policy for Amtrak that "may require elimination of services on routes where (a) transportation alternatives exist, (b) rail passenger service is

⁹⁴ S. 2551, 93d Cong., 1st sess., section 4.

⁹⁵ Also see "Petition of CAB office of the Consumer Advocate," Docket 29165, Apr. 22, 1976. This petition was filed "to impose consumer protection provisions for tour charters and to license charter tour organizers."

⁹⁶ 24 Stat. 379, 383; 49 U.S.C. 1-22.

⁹⁷ 84 Stat. 1327; 45 U.S.C. 541.

demonstrably uneconomical, and (c) national priorities do not justify continuing Federal subsidy.⁹⁸ In certain areas, however, the Secretary supports long term Federal involvement on the grounds of other national interests. His analysis identifies these interests and the other considerations implicit in such a course:

Finally, special Federal assistance may be appropriate to support development of high-speed trains in certain densely traveled regions, such as the Northeast Corridor, where improved service promises to become economically viable and Interstate highway and airport congestion can be alleviated by such rail service. A substantial Federal investment in high-speed rail passenger service, however, raises again many of the complex issues of equal competitive opportunity among the modes, Federal priorities of energy and environmental conservation, what corresponding changes, if any, should be made in other Federal transportation investments in the corridor (i.e., highways, airports) and the appropriate sharing of Federal and State responsibility.⁹⁹

Nonimmigrant Visa and Customs Legislation

The possession of a valid visa is a precondition to the entry of foreign nationals to the United States. Our visa laws are administered by the Bureau of Security and Consular Affairs of the State Department (BSCA) and the Immigration and Naturalization Service (INS) of the Department of Justice, pursuant to principles established by Congress in the Immigration and Nationality Act of 1952.¹⁰⁰

The INS was organized in the Department of Justice by Reorganization Plan No. 5 of 1940¹⁰¹ to enforce Federal immigration laws within the United States. The BSCA, established in the State Department by the Immigration and Nationality Act, processes applications for nonimmigrant (and immigrant) visas through offices in American embassies and consulates abroad.

The U.S. policy requiring visas for the admission of nonimmigrant foreign nationals—such as tourists and businessmen staying for relatively short periods—impedes the effective demand for travel to this country.¹⁰² Our national policy is somewhat unusual in the noncommunist world, as Americans can visit about 80 countries for short periods without visas.¹⁰³

Despite repeated attempts to modify the statutory visa provisions with respect to temporary tourist and business visitors, the law remains in force. Two considerations typically are urged in support of the status quo: First, waiver of the visa requirements would facilitate the entry of job-seeking foreigners intent on abusing the privilege of entry—to the detriment of American labor; and second, efficient pre-screening of nonimmigrants by U.S. consular officials abroad is needed to restrict the entry of terrorists.¹⁰⁴ Undoubtedly, the protection of

⁹⁸ A Statement of National Transportation Policy, op. cit., p. 7.

⁹⁹ Ibid.

¹⁰⁰ Public Law 82-414.

¹⁰¹ 5 Fed. Reg. 2223. Functional predecessors of the INS can be traced back to the Act of July 4, 1864 (13 Stat. 385) establishing the position of Commissioner of Immigration in the State Department. Between 1864 and 1940, immigration and naturalization functions were performed variously by the Departments of State, Commerce, and the Treasury.

¹⁰² See for example, DOT, Office of Facilitation, A Question and Answer Fact Book on the Non-Immigrant Visa Act of 1971 (Washington, D.C.: GPO, February 1971). This study concluded that elimination of tourist visa requirements would have increased by roughly 100,000 the number of foreign visitors to the United States in 1969.

¹⁰³ Ibid.

¹⁰⁴ These arguments recently were offered by the Commissioner of the INS against H.R. 190 and H.R. 8059, bills designed to waive visa requirements for tourist and business visitors from a group of countries to be designated by the Secretary of State (H.R. 8059 provided an exemption for the Bicentennial period). See "Testimony of Leonard F. Chapman, Jr., Commissioner, INS, before the Subcommittee on Immigration, Citizenship, and International Law," Sept. 10, 1975.

American labor and the prevention of terrorist activities are important Federal concerns. It has not been proven, however, that the visa requirement poses a deterrent to the entry of terrorists, or that other procedures could not be used to safeguard American labor. Indeed, nonimmigrant visa waiver proposals generally contain a variety of substitute countermeasures to minimize abuse of the entry privilege. At a minimum, further discussion and study of proposed visa waiver legislation are needed to permit a better judgment on the merits of these countermeasures.

In addition to the visa requirement for nonimmigrants, virtually all foreign visitors to this country (and returning U.S. citizens) must be processed through customs. The Bureau of Customs was created by the Act of March 3, 1927¹⁰⁵ to collect revenue, prevent fraud and smuggling, and process people, carriers, cargo, and mail into and out of the United States. Redesignated in 1973 as the U.S. Customs Service,¹⁰⁶ the Service's operations represent both a necessary exercise of the Federal police power, and an impediment to streamlined visitor processing. The National Tourism Resources Review Commission recognized this conflict of objectives and sided in favor of reduced customs scrutiny: "The relatively low rate of customs seizures of illegal imports suggests the effort involved may not be worthwhile. . . . The worldwide trend is toward the most perfunctory customs formalities."¹⁰⁷

The central issue for analysis in this area, as with nonimmigrant visa waiver proposals, is the extent to which national security considerations should override other governmental interests in the facilitation of international travel. Preclearance is one solution that accommodates both of these interests. To date, customs preclearance has been utilized for U.S.-bound travelers leaving Canada, Bermuda, and Nassau, but the Customs Service has no plans for extension of this practice to other points of embarkation. The most significant obstacle to expansion of preclearance is the inability of U.S. officials to exercise search, seizure, and arrest powers on foreign soils. Since there is little prospect of expanding preclearance procedures, the alleviation of customs congestion at major U.S. ports of entry will depend upon the development of more efficient screening techniques (e.g., sampling, automated inspection, etc.) the employment of additional Customs Service personnel, or improved distributions of arriving passengers (by time and/or location.)

Economic Development Legislation

The Small Business Act of 1953¹⁰⁸ declared the policy of Congress: . . . that the Government should aid, counsel, assist, and protect insofar as it is possible the interest of small business concerns in order to preserve free competitive enterprise . . . and to maintain and strengthen the overall economy of the nation.¹⁰⁹

The SBA was established as an independent agency pursuant to section 4 of the Small Business Act, with authority under section 7 "to make loans, enter into contracts with Government agencies, enter

¹⁰⁵ 44 Stat. 1381; 19 U.S.C. 2071.

¹⁰⁶ Treasury Department Order 165-23, Apr. 4, 1973.

¹⁰⁷ NTRRC, *Destination U.S.A.*, op. cit., vol. 1, p. 83.

¹⁰⁸ Public Law 83-163.

¹⁰⁹ U.S. Cong. & Adm. News, 83d Cong., 1st sess., legislative history of Public Law 83-163, p. 2029.

into subcontracts with small business enterprises, and provide managerial and technical aids to small businesses."¹¹⁰

The broad purposes for which the SBA was created have led it to establish major loan and assistance programs in the retail trade and service sectors, which embrace many outdoor recreation and tourism enterprises. A recent study of SBA loans in 16 SIC industry groups for fiscal year 1968 and fiscal year 1972 suggested that loans directly related to tourism and recreation represented at least 6.4 and 6.7 percent, respectively, of the total value of SBA loans in these years and that the value of loans to tourism and recreation enterprises increased during this period from \$40.1 million to \$105.3 million.¹¹¹

In view of the clear legislative preferences that have been expressed favoring the private development of outdoor recreation facilities (see, e.g., Public Law 88-29, discussed above), SBA loan and technical assistance programs to such enterprises are consistent with the mainstream of Federal outdoor recreation policy. However, a conflict in the small business and natural resource protection policies of the Federal Government may arise in connection with the issue of small business location patterns within and adjacent to federally controlled recreation areas. Two reports recently have recommended that private concessions be removed from Federal recreation areas, to be replaced by nonprofit operations.¹¹² Rather, these reports have suggested that private enterprises supplying goods and services to recreationists should be located in areas adjacent to Federal recreation lands.

Such proposals generally are adverse to the economic interests of both current and prospective private concessioners on Federal lands, and by implication are contrary to the general policy enunciated in the Small Business Act. The SBA's role in promoting the development of private concessions on Federal land has been limited, but not insignificant: estimates based on incomplete data suggest that SBA extended 10 loans to nine concessioners on NPS lands during 1970-71, and an equal number during 1968-71 to concessioners on Corps lands.¹¹³ Recipients of these loans represented 7 and 9 percent, respectively, of the total number of private concessions on NPS and Corps' properties. The BOR policy statements noted below¹¹⁴ do not permit an assessment of the extent of potential conflict between Federal small business and concession policies.

¹¹⁰ *Ibid.*, legislative history, p. 2031.

¹¹¹ Permanent Select Committee on Small Business, *Small Business Enterprises in Outdoor Recreation and Tourism*, 95d Cong., 2d sess., committee print (Washington, D.C.: GPO, 1974), p. 125. The analysis of loans to tourism and outdoor recreation enterprises omitted loans to eating and drinking places and gasoline service stations due to identification problems. It was estimated in the study that 74 percent of the tourism and outdoor recreation enterprises receiving loans were in the retail and service sectors.

¹¹² See, for example, The Conservation Foundation, *National Parks for the Future* (Washington, D.C., 1972); National Park Centennial Commission, *Preserving & Heritage* (Washington, D.C., 1973).

¹¹³ *Small Business Enterprises in Outdoor Recreation and Tourism*, op. cit., p. 189.

¹¹⁴ The Bureau of Outdoor Recreation's position in this matter is controlling for purposes of official agency policy analysis. In the BOR report, *Outdoor Recreation, A Legacy for America* (pp. 57-58), three statements of policy relevance were made: "Private sector development and operation of recreation facilities adjacent to Federal recreation areas will be encouraged. . . . Where demonstrated demand for facilities exists and lands suitable for development by private entrepreneurs are not available adjacent to Federal recreation areas, master plans for Federal management units will include consideration for location of concession developments within the recreation areas. . . . To insure that existing concession operations are serving a public need, Federal recreation land managing agencies will review in a timely manner present concession contracts to determine the advisability of eliminating, continuing, or expanding the existing range of services in accordance with a regional or management unit master plan."

This act was intended primarily to strengthen the ability of private operators to obtain financing for concessions in national parks. It did so by granting concessioners a "possessory interest" in their improvements on national park lands (with legal title in the U.S. Government) that could be assigned, transferred, or encumbered. Secondly, the act provided for compensation in the event of a Government taking of a possessory interest.

The policies guiding the award of concessions in national parks are set forth in Public Law 89-249, the National Parks Concession Policies Act.¹¹⁵ By this act, the Secretary of the Interior is directed to "encourage and enable"¹¹⁶ private interests to establish such facilities in the national parks as he finds desirable.

Perhaps the most significant feature of this act is contained in section 5. This section:

directs the Secretary to give preference to satisfactorily established operators in a national park system area when the time comes for the renewal or extension of contracts, or for the negotiation of new contracts . . . In any event, however, the act requires him to give public notice of his intentions and to consider all proposals received.¹¹⁷

In the phase II report, SBA loan and technical assistance programs for tourism and outdoor recreation enterprises will be evaluated in terms of their relationship to other Federal policies and programs, particularly the policies favoring private development of outdoor recreation resources.

The Public Works and Economic Development Act of 1965 established the Economic Development Administration (EDA) in the Department of Commerce. EDA is concerned primarily with the long-range economic development of areas subject to problems of chronic unemployment and low family income. Development of tourism and outdoor recreation is recognized by EDA as an efficient generator of employment and income in these areas, and the administration's programs for business loans, development planning, technical assistance, and public works grants and loans have provided a significant stimulus to such development.

Title V of the Public Works and Economic Development Act provided for the establishment of seven regional economic development commissions in the Department of Commerce. These regional commissions—Coastal Plains, Four Corners, New England, Old West, Ozarks, Pacific Northwest and Upper Great Lakes—cover all or parts of 29 States. Generally intended as vehicles for the coordination of Federal and State longrun development planning, the seven commissions place varying degrees of emphasis upon tourism and outdoor recreation as a mode of economic development. The majority already have completed one or more tourism-recreation projects in their territories, and are actively pursuing similar projects. Several have sponsored comprehensive studies of the potential for tourism-recreation development.

The urban redevelopment programs administered by HUD under Title I of the Housing and Community Development Act of 1974¹¹⁸

¹¹⁵ 79 Stat. 969 (89th Cong., 1st sess.).

¹¹⁶ *Ibid.*, section 2.

¹¹⁷ Legislative history of Public Law 89-249 in U.S. Cong. & Adm. News, 89th Cong., 1st sess., p. 2494.

¹¹⁸ Public Law 93-383, 42 U.S.C. 5301-5317.

are an important stimulus to urban tourism. The impact on tourism of these programs, which have been instituted to achieve basic social and economic development objectives broader than the promotion of tourism, was summarized by the San Francisco Convention and Visitors Bureau, on behalf of the Board of Directors of the International Association of Convention and Visitors Bureaus:

Throughout the United States HUD has been extremely active in the urban renewal and revitalization of metropolitan downtown areas. In many instances this revitalization has hinged upon increased emphasis on attracting convention delegates and trade show exhibitors by preparing and in many cases financing new major convention and exhibit halls within the redevelopment area. Locations have been identified by HUD for hotel development within these areas, as well as a myriad of other businesses whose profits are substantially affected by a strong flow of visitors and convention attendees.¹¹⁹

Apart from strengthening urban tourism resources (i.e., as a tourist destination), HUD redevelopment programs have substantial direct income generation and multiplier effects in the urban areas in which they are conducted, thus contributing further to the cities' importance as principal suppliers of tourists to other areas of the country and abroad.

Environmental Quality Legislation

On July 9, 1970, President Nixon submitted to Congress Reorganization Plan No. 3 of 1970, the plan establishing the EPA. This plan consolidated in EPA several environmental control functions that previously had been vested in the Departments of the Interior,¹²⁰ HEW,¹²¹ Agriculture,¹²² AEC,¹²³ and the CEQ.¹²⁴

Since its formation, EPA has instituted or continued various programs pursuant to statutory mandates that affect the domestic demand for travel and the supply of outdoor recreation resources. Major EPA programs in these fields and their corresponding legislative authorizations are discussed below.

The control of national water quality is a major concern of the EPA. The principal water quality statute directing the agency is the Federal Water Pollution Control Act (FWPCA) as amended in 1972.¹²⁵ The 1972 FWPCA Amendments declared that:

It is the national goal that the discharge of pollutants into the navigable waters be eliminated by 1985; it is the national goal that wherever attainable, an interim goal of water quality which provides for the protection and propagation of fish, shellfish and wildlife and provides for recreation in and on the water be achieved by July 1, 1983; (and) it is the national policy that the discharge of toxic pollutants in toxic amounts be prohibited.¹²⁶

It is clear that these national water quality goals have substantial economic and environmental significance for tourism and outdoor

¹¹⁹ Report on Apr. 25, 1976 meeting of IACUB Board of Directors, by Robert J. Sullivan, General Manager, San Francisco Visitors and Convention Bureau, May 3, 1976, p. 2.

¹²⁰ Functions administered by the Interior Department's Federal Water Quality Administration and Gulf Breeze Biological Laboratories were transferred to EPA.

¹²¹ Certain functions administered by HEW's Environmental Health Service, including the National Air Pollution Control Administration, and some of the functions administered by the Secretary under the Federal Food, Drug, and Cosmetic Act were transferred to EPA.

¹²² Functions administered by the Department of Agriculture under the Federal Food, Drug, and Cosmetic Act and the Federal Insecticide, Fungicide, and Rodenticide Act, and the functions of the Environmental Quality Branch of the Plant Protection Division were transferred to EPA.

¹²³ Certain functions of the Division of Radiation Protection Standards of the AEC were transferred to EPA.

¹²⁴ Functions of the CEQ pertaining to ecological systems were transferred to EPA.

¹²⁵ 33 USCA 1251, et seq.

¹²⁶ 33 USCA 1251(a)(1)-(3).

recreation. Notwithstanding complex technical qualifications, the 1972 amendments to the FWPCA stand as a charter of freedom from the pollution that has despoiled many of our navigable waterways. Even the interim goal to clean up the Nation's navigable waters for fishing, swimming, and boating activities by 1983—if attained in substantial part—would expand the available supply of outdoor recreation resources dramatically. Such an achievement, in view of the large-scale demand for water-related outdoor recreation,¹²⁷ could be expected at a minimum to alter basic recreation-related travel patterns and to result in the development of thousands of small businesses in areas enjoying newly found or expanded water recreation opportunities.

Since the target dates for the attainment of EPA's major water quality objectives are still quite distant, little can be said with certainty regarding the prospects for successful execution of these programs. Advances in wastewater effluent technology will play a vital role, however, in determining the ultimate success and timetable of the EPA water quality programs. In the phase II report, EPA's water quality programs will be reviewed in detail, particularly to assess their relationship to other national outdoor recreation goals and policies.

Two case studies of EPA activities related to shorter term statutory objectives are available in the case of Federal air quality programs. The agency's major air quality control programs, their statutory mandates, and their relationship to tourism are outlined below.

The 1970 amendments to the Clean Air Act¹²⁸ established a 1975 deadline for 90-percent reduction over the 1970 model year in automotive emissions of hydrocarbons and carbon monoxide, although the compliance schedule for these standards has been extended and less severe interim standards have been established.¹²⁹ The introduction of increasingly effective pollution control devices initially resulted in increased vehicle cost and decreased fuel efficiency but it appears that continued technological improvements in emissions pollution control may reduce such liabilities.¹³⁰

In addition to mobile sources, the Clean Air Act administered by EPA also covers stationary sources of air pollution. The EPA's impact upon the pattern of land use, implicit in the regulation of air pollution from stationary sources, is guided by the Clean Air Act's principal purpose: "to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population."¹³¹

¹²⁷ The Bureau of Outdoor Recreation's 1972 National Recreation Survey indicated that boating, (non-pool) outdoor swimming, fishing and water skiing occupied 946 million activity-days of a total 4.7 billion U.S. outdoor recreation activity-days in the summer quarter of 1972. BOR, *Outdoor Recreation—A Legacy for America*, op. cit., appendix A, p. 39.

¹²⁸ The Clean Air Act was originally enacted in 1963, 42 USC 1957, as amended 42 USC 1857 (Supp. V, 1970), as amended 84 Stat. 1676 (1970).

¹²⁹ See Administrator, EPA, Decision of the Administrator on Remand from the United States Court of Appeals for the District of Columbia, Apr. 11, 1973. This decision followed the Court of Appeals decision in *International Harvester Co. v. Ruckelshaus* (Slip Opinion No. 72-1517, Feb. 10, 1973). The Congress is now preparing proposed amendments to the Clean Air Act, that would extend further the compliance schedule for automotive emission standards.

¹³⁰ A 1973 EPA report, "A Report on Automobile Fuel Economy" (Washington, D.C., Feb. 1973), stated that the fuel efficiency of 1973 model year cars was 10 percent less than precontrolled models on a sales weighted average basis. In the 1975 model year, however, this trend was reversed. See EPA, "Factors Affecting Automobile Fuel Economy" (Washington, D.C., Sept. 1975).

¹³¹ Clean Air Act Amendments of 1970, 42 USC 1857(b)(1).

Under the 1970 Clean Air Act Amendments, States are responsible for the development of State Implementation Plans (SIP's) to put into effect national ambient air quality standards established by the Administrator of EPA. Two types of national standards have been designated: primary standards for the protection of health, and secondary standards for the protection of welfare.

Following a suit instituted by a private environmental group in 1972, the EPA was ordered by the District Court of the District of Columbia to disapprove any SIP's that did "not prevent significant deterioration of air quality."¹³² This decision, affirmed by the Court of Appeals and by a divided Supreme Court, had far-reaching land-use implications. Simply, it prohibited the "significant deterioration" of air quality in areas enjoying relatively pollution-free air, but it did not define the term.

After extensive public comment on proposed and repropoed rule-making and the rejection of SIP's that failed to "prevent significant deterioration," EPA published final regulations on December 5, 1974.¹³³ These regulations established three classes of air quality regions in terms of allowable air quality degradation: Class I regions in which "practically any air quality deterioration would be significant;" class II regions in which "deterioration in air quality that would normally accompany moderate, well-planned growth would not be considered significant;" and class III regions in which "intensive major industrial growth is desired."¹³⁴

In its final regulations, EPA classified the entire United States as class II, "bearing in mind the twin objectives of the Clean Air Act to protect air quality and 'promote . . . productive capacity.'"¹³⁵ Redesignation of an area to class I or class III may be requested by a State or sovereign Indian governing body following a public hearing. Requests to the EPA for redesignation "must reflect full consideration of environmental, economic and social effects of the classification change on the affected area and on the surrounding region and the Nation as well."¹³⁶ A provision in the final rules states that managers of Federal lands may only request redesignation from class II to class I. This one-way redesignation rule for Federal lands presumably reflects EPA's understanding that "even a slight increase in pollution in the air might damage the economy of a recreation area."¹³⁷ In EPA's view, "this provision . . . ensures that national forests and parks can be protected by the Federal Government from deterioration in air quality."¹³⁸

From the standpoint of the 1972 nondegradation decision of the District Court of the District of Columbia, the EPA's final rules classifying the entire nation as class II are considered a setback by environmentalists. The NPS, which has jurisdiction over 4 percent of Federal lands, estimates that reclassification to class I will cost the

¹³² *Sierra Club v. Ruckelshaus*, 344 F. Supp. 253 (DDC 1972). The decision was based upon judicial construction of the purpose clause of the Clean Air Act, particularly the phrase "to protect and enhance."

¹³³ 39 Fed. Reg. 42510.

¹³⁴ EPA, Environmental Information, "Preventing Significant Deterioration of Air Quality in Clean Air Areas" (Washington, D.C., January 1976, p. 2).

¹³⁵ *Ibid.*

¹³⁶ *Ibid.*, p. 2. "National effects might include . . . the preservation of sufficient recreation and wilderness land." *Ibid.*, p. 5.

¹³⁷ 39 Fed. Reg. 42513.

¹³⁸ Preliminary data from NPS environmental impact statement supplied by Office of Environmental Affairs, NPS.

agency \$7 million to \$10 million.¹³⁹ The Sierra Club has instituted another lawsuit challenging the EPA's rulemaking, claiming that the class II designation violates the purpose clause of the 1970 Amendments.¹⁴⁰ Federal land managers and sovereign Indian governing bodies had taken no action to reclassify their lands as of January 7, 1976,¹⁴¹ 1 year after the final rules had become effective. In general, States have not responded to the EPA rules because they anticipate congressional action to amend the Clean Air Act.¹⁴²

In February 1976, the Senate Public Works Committee approved a bill to amend the Clean Air Act. The House is expected to approve companion legislation shortly. Both versions are expected to relax the 1970 Clean Air Act Amendments' automotive emission standards and to provide mandatory class I designations for certain Federal lands. Both apply mandatory class I designations to National Parks and national wilderness areas, but differ on minimum acreage requirements. In general, other Federal lands are classified in each bill either as class I with an option to reclassify to class II, or as class II with an option to move up. Thus, the legislative proposals both reject and sustain in part EPA's final rules on significant deterioration.

A statute of potentially overriding importance in the class of tourism-related legislation is the National Environmental Policy Act of 1969.¹⁴³ This act represented the first congressional expression of a national policy for the environment. In part NEPA stated that:

It is the continuing policy of the Federal Government, in cooperation with State and local governments, and other concerned public and private organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans.¹⁴⁴

A broadly drawn statute, NEPA requires all agencies of the Federal Government to "utilize a systematic, interdisciplinary approach . . . is planning and in decisionmaking which may have an impact on man's environment," and to "include in every recommendation . . . for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement . . . on the environmental effects which cannot be avoided should the proposal be implemented, (and) alternatives to the proposed action."¹⁴⁵ The natural resource activities of all Federal agencies are affected by the statute's environmental requirements.¹⁴⁶ It is too early to determine, however, whether NEPA's substantive impact will amount to anything more than that of "an environmental full disclosure law."¹⁴⁷

¹³⁹ Information supplied by EPA, Office of General Counsel.

¹⁴⁰ EPA, "Progress Report on Program for Prevention of Significant Deterioration," memorandum, Jan. 7, 1976.

¹⁴¹ *Ibid.*

¹⁴² *Ibid.*

¹⁴³ Public Law 91-190.

¹⁴⁴ Section 101(a), reprinted in Meyers, Charles and Tarlock, Dan, *Selected Legal and Economic Aspects on Environmental Protection* (Mineola, N.Y.: Foundation Press, 1971), p. 324.

¹⁴⁵ *Ibid.*, section 102(a), (c), pp. 325-326.

¹⁴⁶ See *Environmental Defense Fund v. Corps of Engineers*, 325 F. Supp. 278 (E.D. Ark., 1971), in which NEPA was held applicable to a multipurpose Corps project 63 percent complete at the time the case was tried.

¹⁴⁷ *Ibid.* It is noteworthy in this regard that the Bureau of Outdoor Recreation publication, *Outdoor Recreation—A Legacy for America* (discussed and cited, above), does not mention the National Environmental Policy Act.

Energy Legislation

The most significant Federal energy legislation for purposes of this review is the recently enacted Energy Policy and Conservation Act,¹⁴⁸ which contains several provisions relevant to tourism.¹⁴⁹ Potentially, the most critical provision of the act is the fuel rationing contingency plan outlined in title II.

The rationing contingency plan authorized by title II is to be prepared by the President and submitted to both the Senate and the House of Representatives for approval within 180 days. The contingency plan shall be:

For the establishment of a program for the rationing and ordering of priorities among classes of end-users of gasoline and diesel fuel used in motor vehicles, and for the assignment of rights, and evidence of such rights, to end-users of gasoline and such diesel fuel, entitling such end-users to obtain gasoline or such diesel fuel in precedence of other classes of end-users.¹⁵⁰

The rationing provisions in the Energy Policy and Conservation Act are interrelated with the provisions of the original mandatory petroleum allocation authorization, the Emergency Petroleum Allocation Act of 1973.¹⁵¹ While the Energy Policy and Conservation Act is silent on the hierarchical order of end-users to be afforded priority in the event of rationing, the Emergency Petroleum Allocation Act's statement of objectives are incorporated by reference in the rationing contingency plan provisions of the Energy Policy Act. Section 203(b), by reference, states that a Presidential request to implement a rationing contingency plan shall be accompanied by a finding of the President that such plan is necessary to attain the "protection of public health, safety and welfare . . . maintenance of all public services . . . maintenance of agricultural operations . . . economic efficiency . . . and minimization of economic distortion."¹⁵²

It is reasonably certain that in the event of a "severe energy supply interruption,"¹⁵³ the implementation of gasoline rationing would restrict nonessential end-uses of gasoline. Since it is impossible to anticipate the likelihood—or the severity—of energy supply interruptions, even tentative conclusions regarding the magnitude of a rationing-induced curtailment of tourism activities would be speculative. It may be important, however, that the Energy Policy and Conservation Act provides that contingency plans transmitted by the President to Congress "shall be based upon a consideration of, and, to the extent practicable, be accompanied by an evaluation of, the potential economic impacts of such plan, including an analysis of any effects of such plans on vital sectors of the economy; employment (on a national and regional basis); the economic vitality of States and regional areas; the availability and price of consumer goods and services; and the gross national product."¹⁵⁴

In May 1975, the FEA released a summary report¹⁵⁵ describing the Agency's approach to rationing. The FEA recently completed the rationing contingency plan mandated by the Energy Policy and Con-

¹⁴⁸ Public Law 94-163, 89 Stat. 87.

¹⁴⁹ The portion of this legislation establishing automotive fuel economy standards is discussed above.

¹⁵⁰ *Ibid.*, section 203(a).

¹⁵¹ Public Law 93-159; 87 Stat. 627.

¹⁵² *Ibid.*, section 4(b).

¹⁵³ Public Law 94-163, 89 Stat. 891, section 201(b)(3).

¹⁵⁴ *Ibid.*, section 201(f).

¹⁵⁵ FEA, Gasoline Shortage Contingency Plan, Management Summary, Draft Report Vol. 1 (Washington, D.C., May 1975).

servation Act; the plan is now in the final review stage at OMB, and may be submitted to the President and Congress by late August 1976. The 1975 FEA plan, which is the foundation for the updated version, calls for the establishment of a system of gasoline entitlements (coupons or gasoline checks). The Administrator of FEA will determine entitlement levels among private (licensed drivers) and commercial/nonprofit users "on the basis of anticipated economic impact."¹⁵⁶ The rationing plan will be accompanied by price controls and allocation regulations, and will permit the transfer of ration coupons among end-users.

Other provisions in the Energy Policy and Conservation Act are aimed at the establishment of "energy conservation contingency plans." These plans are intended to impose "reasonable restrictions on the public or private use of energy which are necessary to reduce energy consumption."¹⁵⁷ Such contingency plans might be aimed at, for instance, vehicle parking regulation or the reduction of business hours. By statute, each energy conservation contingency plan "shall not deal with more than one logically consistent subject matter" and "may not impose rationing or any tax, tariff, or user fee; contain any provision respecting the price of petroleum products; or provide for a credit or deduction in computing any tax."¹⁵⁸ Because the statute excludes from consideration most of the economic weapons in the Federal arsenal, it is unlikely that an energy conservation plan, if effected, would have a significant impact upon tourism or the tourism industry.

Land-Use Legislation

Historically, Federal land-use planning jurisdiction has been limited mainly to the public land areas of the U.S. Government. Recently, however, bills have been introduced in Congress that would indirectly extend Federal land-use controls to State, local, and private land. Brief discussions of a few proposals of this type, the underlying need for reform of the land-use policies of the Federal Government, and the impact on tourism of existing and proposed Federal land-use legislation are presented in this section.

In 1970, the Public Land Law Review Commission (PLLRC)¹⁵⁹ released its report, "One Third of the Nation's Lands," recommending several legislative actions with respect to Federal land-use policy. In 1971, a bill (H.R. 7211) drawn from the PLLRC's recommendations was introduced by Congressman Aspinall, the Chairman of the PLLRC. The proposed act would have established an office of land-use policy and planning in the Department of the Interior to implement Federal land-use policy and to review for approval comprehensive State land-use plans prepared pursuant to the act; States would be given financial assistance for the development of Statewide land-use plans, and would be penalized for the failure to develop acceptable plans.¹⁶⁰ With Congressman Aspinall's defeat in 1972, the

¹⁵⁶ *Ibid.*, p. 1-20.

¹⁵⁷ Section 202, Public Law 94-163. 89 Stat. 892.

¹⁵⁸ *Ibid.*

¹⁵⁹ Created pursuant to 78 Stat. 982.

¹⁶⁰ Withholding of specified percentages of Federal grants-in-aid for failure to develop acceptable land-use plans was called for by H.R. 7211. This type of sanction has been eliminated in recent land-use proposals. See, for example, S. 984, section 3(6), 94th Cong., 1st sess.

prospects for enactment of H.R. 7211 were greatly diminished, but this bill and a moderate Senate version (S. 632) sponsored by Senator Jackson have provided the basis for similar bills introduced in both the 93d and 94th Congresses.

On January 14, 1975, Congressman Meeds introduced H.R. 634, "A Bill to authorize grants to encourage and assist the States in developing and implementing land-use planning processes and programs; to coordinate Federal programs and policies which have a land-use impact; to establish a public land policy and to provide public land-use planning directives . . . and for other purposes." S. 984, a functional equivalent of a similar bill that passed the Senate in 1972 and 1973, was introduced by Senator Jackson on March 6, 1975. However, neither bill has received favorable committee action to date. Other land-use bills also have been introduced but have failed to reach the floor.

The multiple-purpose title of H.R. 634 defines the major areas of Federal concern regarding land use: first, that States should be stimulated to formulate comprehensive land-use plans; and second, that the piecemeal land-use policies administered by dozens of Federal offices should be coordinated and given an overall sense of direction. Of these concerns, the former is politically volatile to the extent that it threatens to impose supervening Federal control over "one of the last vestiges of State police power."¹⁶¹ while the latter is an expression of the need for improved Federal housekeeping.

Control over land use is inextricably linked to both the quality and quantity of outdoor recreation resources available to Americans. It is also closely related to the implementation of national air and water quality programs, and the prospects for the attainment of important Federal environmental goals. At present, land-use planning jurisdiction over non-Federal lands is concentrated at the local government level, and typically is exercised by zoning authorities according to city or county master plans. Only a few States have enacted comprehensive Statewide land-use legislation. However, significant progress at the States and territories for the development of coastal zone management, due to the enactment of the Coastal Zone Management Act of 1972,¹⁶²

This act, which is administered by the National Oceanic and Atmospheric Administration, provides Federal assistance to 34 coastal States and territories for the development of coastal zone management organizations. The protection of the coastal zone—which contains some of the most valuable resources for outdoor recreation purposes¹⁶³—is regarded as an important objective by nearly all States and territories possessing such resources. Also, the development of State agencies for coastal zone management under the provisions of the Coastal Zone Management Act may indirectly enhance the prospects for enactment of Federal land use legislation: The Jackson bill (S. 984), for instance, provides that States may designate planning units created under the

¹⁶¹ Statement of Hon. Paul J. Fannin from the Senate floor debate of June 19 and 21, during consideration of S. 268, the proposed Land Use Policy and Planning Assistance Act.

¹⁶² 16 USC 1451 et seq.

¹⁶³ A 1974 study prepared by Robert R. Nathan Associates for the Senate Commerce Committee, "The Economic Value of Ocean Resources to the United States," Committee Print, 93d Cong., 1st sess., estimated total economic ocean-related recreational activities at \$5.2 billion in 1972, projected to 11 billion to 13 billion (1972 dollars) by 2000.

Coastal Zone Management Act to perform Statewide land-use planning functions.¹⁶⁴

The nature of Federal control over 60 percent of Federal lands and 20 percent of the Nation's land base is the subject of the National Resource Lands Management Act (S. 507), the proposed organic act for the BLM. As reported by the Committee on Interior and Insular Affairs, S. 507 would provide the Secretary of the Interior with modern management authority over the 448 million acres of national resource lands, more than sufficient to bring BLM up to par with other Federal land managing agencies guided by contemporary statutory principles of land use.

The successor agency of the General Land Office, BLM is now bound by an uncoordinated array of antiquated land-use laws, most of which would be repealed by enactment of S. 507. In essence, S. 507 applies to BLM's activities the principles of multiple use and sustained yield that have been applicable to the U.S. Forest Service since the Multiple Use-Sustained Act of 1960¹⁶⁵ became law. Significantly, this proposed legislation embodies more than 100 of the recommendations of the PLLRC report,¹⁶⁶ and provides for the prompt development of "regulations to protect areas of critical environmental concern."¹⁶⁷ Under sections 102 and 103, the Secretary of the Interior is directed to prepare an inventory of land-use plans for the national resource lands, giving "priority to the designation and protection of areas of critical environmental concern."¹⁶⁸

The potential impact of S. 507 upon BLM recreation programs is uncertain at this time; this bill, like many organic acts, vests a great deal of discretion in its administrators. Its absence in present law, however, may be regarded as a major constraint to the expanded use of Federal lands for recreation purposes.

Tax Legislation

The Congress currently is considering tax legislation that promises to curtail, rather than promote, U.S. travel abroad. Specifically, proposed amendments to the Internal Revenue Code of 1954 would disallow the deduction of travel expenses incurred for annual attendance at conventions, seminars, or meetings held outside the United States.¹⁶⁹ The amendments would permit full deduction of transportation expenses for such meetings up to the cost of economy class airfare, provided that more than one-half of the days (exclusive of transportation) spent out of the country is allocated to business-related activities. Strict regulation of deductions for subsistence expenses also is imposed. Although these regulations impose a disincentive on some travel activities, they serve a valid governmental interest (increasing tax equity) and likely would have only a slight effect upon U.S. travel abroad. It has been argued, however, that a substantial impact upon the domestic and foreign convention indus-

¹⁶⁴ S. 984, section 103, 94th Cong., 1st sess.

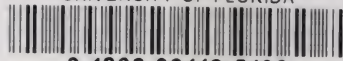
¹⁶⁵ Act of June 12, 1960, 74 Stat. 215, 16 USC 513.

¹⁶⁶ National Resource Lands Management Act, S. Rept. No. 94-583, 94th Cong., 1st sess., p. 35.

¹⁶⁷ *Ibid.*, p. 43. The term "areas of critical environmental concern" also is found in S. 984, the Land Resources Planning Assistance Act, and the proposed amendments to the Clean Air Act reported by the Senate Public Works Committee.

¹⁶⁸ *Ibid.*, p. 4, section 103(b)(2).

¹⁶⁹ H.R. 10612, section 602. The determination on the inclusion or exclusion of this proposed legislation had not been completed in the Senate as of July 31, 1976.



tries could be expected to result from the enactment of these provisions.

CONCLUSION

The preceding legislative review illustrates the diversity of purposes for which tourism and tourism-related legislation have been enacted, and the ways in which various program mandates affect tourism supply and demand. The statutes covered in this chapter form the legislative foundation for significant Federal tourism and tourism-related programs, and will provide the basis for the subsequent analysis of specific programs.

A clearly enunciated Federal tourism policy is conspicuously absent in the legislation surveyed here. To the extent that such a Federal policy exists, its expression has been confined mainly to legislation associated with the U.S. Travel Service. For instance, there is little explicit recognition of tourism considerations either in the legislation or legislative histories underlying major Federal outdoor recreation programs.

In general, the Federal tourism programs created by the International Travel Act of 1961 and the Domestic Travel Act were conceived in a vacuum, with no substantial relation to other Federal programs significantly affecting tourism. These other programs, the product of the "tourism-related" legislation reviewed here, are administered for a variety of purposes that directly or indirectly affect the supply of tourism resources and the demand for tourist travel. To date, no legislation has been enacted to provide a cohesive link among Federal tourism and tourism-related programs, or to provide tourism-related programs with policy guidance regarding the national interests in tourism.

The NTPS will seek to correct the existing situation, and make the extensive federal policy and programmatic involvement more effective and responsive to the national interests, and the interests of state and local entities and the private sector.

